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Supplement to The Mining Journal—April 29, 1960

# The Mining Journal

## ANALYSIS OF RAND AND O.F.S. QUARTERLIES

### A SLOW CONVALESCENCE

**S**INCE the beginning of the year, the Kaffir market has been under the cumulative pressure of bearish political influences from many parts of Africa, to which the Continental investor has shown particular sensitiveness. During this period it has been mainly from Paris, Brussels and Zurich, that selling has come.

First, in the early weeks of the year there was considerable Continental nervousness regarding the consequences both of the coming of independence to the Congo in July and of British colonial policy in East and Central Africa, which in turn gave rise to fears regarding the impact of this rising wind of change on race relations in the Union and on South Africa's standing in the Western world.

This nervousness coincided with the culmination of a prolonged, if gradual, rise in Kaffir prices to the point where, by January, the market had in any event become vulnerable to unfavourable influences. It coincided also with General De Gaulle's much publicised secret visits to Algeria which surprisingly seem to have reassured the French investor to the point of his being ready to repatriate funk money, which in previous months he had been hedging into Kaffirs.

#### Then Came Sharpeville

Superimposed on these bearish influences came first the quite minor factor of the Coalbrook power cut and then the widespread disturbances in South Africa beginning in mid-March with the demonstrations against the pass laws and the tragedies at Sharpeville and Nyanga which led in turn to the state of emergency which, as we go to press, is still in force.

The aftermath of these latest examples of the outcome of South Africa's racial policies is likely to remain with us for a long time yet. Moreover, it is too early to predict with any confidence either that the unprecedentedly sharp reaction of public opinion within the Union to recent events or that the more predictable reactions in the rest of the world will be sufficient to bring about any radical change of government policy—still less of government.

On the other hand, it is at least a possibility that South African opinion has at last received a sufficiently sharp jolt for racial policy to veer appreciably, even if it does not as yet change course decisively. Seldom can the actions of the government have provided a less accurate reflection than in recent weeks of the mood of the country as a whole. Individual standards, viewpoints and loyalties are today being reassessed as never before in all European circles other, perhaps, than among the government's die-hard supporters.

#### The Changing Climate of Opinion

Such a crisis in public opinion cannot be resolved overnight and it may well be many months before the political trend in the Union becomes clarified. However, it should become apparent, at any rate by the end of this year, whether those political forces, inside the government no less than outside, which are bent on modifying the Union's racial policies, have gathered enough strength and coherence from the events of the past few weeks to force a new approach to African problems, even to the point, as many South Africans now seem to desire, of forming a National Coalition government.

#### Editorial Comment

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The programme of such a government would be unlikely to bear much relation to the programme of the Progressive Party, which is based on the concept of a multi-racial society, but it would at least represent an advance on the policies which have been primarily responsible for recent events. Moreover, however tentative the first steps, any change of direction must inevitably lead to higher African living standards and greater civil liberties. Such a prospect constitutes a challenge to the whole of South African industry, which now seems to be widely recognised and accepted among employers, whatever may be the conclusions to be drawn from the divergence of views within the government, highlighted by recent statements by Mr. Sauer and Mr. Louw.

#### What Will a New Deal for Africans Involve?

One thing which has emerged clearly from recent events, is the urgent need for more effective communication between the European and the African. In industrial terms this must inevitably mean the legalisation of African trade unions and the erosion of job reservation to create wider opportunities for African advancement. It must also mean higher African wages but it by no means follows that this need result in correspondingly higher costs and prices. The industrial efficiency of the urban African would probably be much increased with the better living standards arising from higher pay, and a positive policy of training and promotion would probably put an end to the go-slow tactics which have been becoming increasingly prevalent. Added to which the whole economy would receive a much needed shot in the arm from the increase in African purchasing power, at a time when industry's ability to earn profits and pay taxes will be a major factor in financing rural resettlement which must be basic to any programme of African advancement.

#### The Special Problem Facing Mining

For the mining industry, the problem is, of course, fundamentally different in that labour is recruited almost exclusively from the tribal areas (about 45 per cent from outside the Union and High Commission Territories) on recurrent periods of short service contract. So long as this industry remains dependent on a short service migratory labour force, it is severely limited as to the extent to which it can economically spend time and money on training, either for up-grading the African to reserved jobs which he could more economically perform, or for teaching him to use new methods and new machinery and equipment upon which further stope mechanization must be dependent. (The scope for more efficient labour utilization is not limited to the stope, but as usually 60 per cent or more of the underground native labour force is employed in stope working, it is obviously here that the greatest opportunities lie).

In so far, therefore, as the mining industry is going to be faced with rising prices for the machinery and supplies it buys from the rest of South African industry, and in so far as it is likely in any case to have to raise the wages of its own migratory labour, these increased costs can in the main only be offset by the rising efficiencies in operational and cost control, which have been a notable if gradual development of recent years. Beyond that, higher milling rates offer the only escape.

(Continued on page 7)

## FINANCIAL RESULTS

(Cumulative and comparative "this" financial year to March 31, 1960 with "last.")

GROUP	COMPANY	ORDINARY SHARES IN ISSUE	Months since year end	PROFIT AND LOSS RESULTS £(000)								Current financial year's capital expenditure (£ Gold)	EARNINGS, DIVIDENDS & YIELD PER SHARE							
				Working Profit		Uranium Profit After Loan Repayment		Taxation and/or Mining Lease		Net Profit After Tax			Earned in current year to date	Paid					Yield on Price 25/4/60 (0/0)	
														1958/59		1959/60				
				This	Last	This	Last	This	Last	This	Last			s. d.	s. d.	s. d.	s. d.			
Gold Fields	Doornfontein	9,828,000 (10/-)	9	1710.6	1685.4	104.9	103.3	—	—	1816.2	1799.7	345.2	3/8	1 0	1 6	1 6	1 6	9.5		
	Libanon	7,937,300 (10/-)	9	557.0	482.9	—	—	—	—	559.6	490.3	326.5	1/5	3 1/2	3 1/2	3 1/2	3 1/2	4.5		
	Luipaards Vlei	4,969,105 (2/-)	9	47.8	47.7	574.5	544.5	332.2	270.4	349.9	326.3	14.0	1/5	1 0	1 0	1 0	1 0	25.0		
	Rietfontein C.	1,122,252 (3d.)	3	20.8	22.7	—	—	10.5	8.3	10.3	14.4	0.8	2d.	1 0*	10*	6*	8*	—		
	Robinson	2,000,000 (5/6)	3	L19.9	L63.5	—	—	—	—	L19.9	L63.5	0.9	—	—	6*	—	—	—		
	Simmer	6,750,000 (1/6)	3	L44.1	L5.3	—	—	—	0.9	L44.1	L6.2	—	—	6*	—	6*	—	—		
	Sub Nigel	1,771,875 (3d.)	9	171.4	219.3	—	—	63.4	59.0	121.8	165.6	Cr. 6.2	1/4	1 6	1 6*	1 6*	1 3*	—		
	Venterspost	4,900,000 (10/-)	9	518.5	521.8	—	—	139.7	182.7	388.9	347.7	97.0	1/7	10 1/2	10 1/2	10 1/2	10 1/2	8.9		
	Vlakfontein	6,000,000 (10/-)	3	258.6	251.4	—	—	130.9	210.5	127.7	130.9	Cr. 0.6	5d.	11 1	0	11 1	0	11.4		
	Vogels	5,028,571 (3d.)	3	64.7	121.5	93.0	84.0	94.7	95.5	63.0	110.0	—	3d.	1 0	1 0	11*	10*	—		
W. Drie	7,041,080 (10/-)	9	7548.7	5719.7	221.2	191.2	3639.9	2378.1	4131.5	3557.5	1001.4	11/9	3 9	4 0	4 3	4 9	5.5			
Anglo American	Brakpan	4,600,000 (3d.)	3	34.0	28.1	—	—	3.2	3.2	30.8	27.1	—	2d.	4 1/2	6	4 1/2	6*	—		
	Dagga	7,000,000 (5/-)	3	684.0	728.2	277.8	282.3	610.3	616.4	351.5	400.6	4.7	1/-	2 6	2 6	2 3	2 3	21.9		
	East Dagga	3,730,000 (10/-)	3	118.3	84.5	—	—	49.2	31.3	69.1	55.2	—	4d.	7 1/2	7 1/2	7 1/2	7 1/2	14.3		
	F. S. Geduld	10,000,000 (5/-)	6	3838.9	2482.9	—	—	—	—	3838.9	2482.0	668.0	7/8	3 0	3 6	4 6	3 6	6.1		
	P. Brand	14,040,000 (5/-)	6	4945.0	3681.6	187.5	188.0	2317.2	1781.8	2815.3	2098.4	1103.7	4/-	2 6	2 6	3 0	2 6	10.0		
	P. Steyn	14,040,000 (5/-)	6	1086.2	1113.2	224.3	219.2	—	—	1310.5	1337.3	1100.6	1/10	1 3	1 3	1 3	1 0	9.9		
	S.A. Lands	2,475,000 (3/6)	3	125.2	164.1	—	—	—	27.1	125.2	139.6	148.9	1d.	1 6	1 6	1 3	6	12.7		
	Springs	10,110,000 (3d.)	3	45.5	29.3	—	—	11.5	4.8	34.0	26.5	Cr. 1.9	1d.	—	4 1/2	—	6*	—		
	Vaal Reefs	10,500,000 (5/-)	3	647.5	597.7	361.7	346.2	—	—	1009.2	948.3	437.5	1/11	1 6	2 0	1 6	2 0	7.8		
	Welkom	12,250,000 (5/-)	6	421.6	467.2	219.3	209.1	—	—	640.9	679.7	244.4	1/1	3	3	3	3	3.1		
W. Holdings	7,496,376 (5/-)	6	4618.9	2722.8	—	—	2591.2	—	2027.7	2730.8	347.2	5/5	4 0	3 6	5 0	4 0	7.0			
W. Reefs	7,000,000 (5/-)	3	364.5	242.4	319.0	303.7	399.0	310.6	284.5	239.2	114.1	10d.	1 3	1 3	1 3	1 3	9.3			
Central Mining	Blyvoor	24,000,000 (2/6)	9	5693.9	4550.6	895.2	911.9	3854.9	3253.9	3028.3	2350.9	505.2	2/6	1 0	1 0	1 1	1 2	8.9		
	City Deep	2,026,832 (£1)	3	17.2	31.6	—	—	0.1	2.9	24.4	41.1	2.9	3d.	6	7 1/2	7 1/2	7 1/2	7.7		
	Cons. M. R.	1,247,602 (£1)	9	63.1	129.3	—	—	6.8	7.3	112.5	155.3	—	1/10	1 3	1 6	1 6	1 3	18.3		
	Crown	1,886,125 (10/-)	3	29.8	24.6	—	—	13.4	3.5	29.0	39.8	4.7	4d.	1 6	1 9	1 9	2 0	17.0		
	Durban Deep	2,325,000 (10/-)	3	150.3	154.3	—	—	23.0	13.9	137.7	156.7	35.0	1/2	1 6	1 6	1 6	1 6	10.9		
	E. Rand Prop.	3,960,000 (10/-)	3	281.7	353.2	—	—	3.0	40.3	279.8	327.5	227.2	1/5	2 0	2 0	1 9	1 9	10.7		
	Harmony	18,000,000 (5/-)	9	2266.3	1434.6	1451.8	986.0	—	—	3678.9	2395.4	1441.1	4/1	1 0	1 1 1/2	1 3	1 3	8.1		
	Modder E.	930,805 (£1)	9	7.2	19.4	—	—	5.0	4.5	23.5	30.0	—	6d.	9	6	6	6	8.0		
	Rose Deep	700,000 (3/6)	3	3.2	L0.1	—	—	0.4	0.9	4.2	1.8	—	1d.	3 0*	—	3 0*	—	—		
	Transvaal G.M.E.	952,500 (3d.)	3	3.8	7.4	—	—	—	—	0.6	6.0	4.6	—	—	—	—	—	—		
J.C.L.	E. Champ d'Or	2,079,000 (2/6)	3	21.1	19.3	(a)	(a)	8.4	8.2	13.4	12.6	0.9	2d.	3	3	3	3	23.5		
	Freddies Cons.	16,359,913 (£1)	3	L39.0	L10.6	(a)	(a)	—	—	L51.9	L24.3	1.2	—	—	—	—	—	—		
	Govt. G.M.A.	5,600,000 (3d.)	3	3.8	L18.6	(a)	(a)	13.8	8.5	59.2	39.0	—	2d.	6*	6*	6*	9*	—		
	Randfontein	4,063,553 (£1)	3	339.4	345.8	(a)	(a)	157.0	150.0	182.4	195.8	14.8	11d.	2 0	2 3	1 9	2 3	21.9		
Union Corporation	E. Geduld	9,000,000 (4/-)	3	772.6	805.4	—	—	408.5	424.8	377.5	401.0	—	10d.	1 9	1 11	1 9	1 11	18.6		
	Geduld Prop.	1,460,857 (£1)	3	82.6	41.8	—	—	33.0	7.0	55.9	43.6	—	9d.	5 0	6 3	4 9	5 0	16.9		
	Grootvlei	11,438,816 (5/-)	3	695.1	618.8	—	—	360.2	319.0	345.5	318.8	—	7d.	1 1	1 3	1 1	1 5	12.2		
	Marievale	4,500,000 (10/-)	3	374.1	317.5	—	—	192.7	157.1	184.1	166.8	—	10d.	1 1	1 5	1 4	1 7	11.0		
	St. Helena	9,625,000 (10/-)	3	930.4	647.2	—	—	—	—	920.2	646.6	197.1	1/11	1 1	1 3	1 9	2 3	6.0		
	Van Dyk	5,532,000 (3d.)	3	33.7	75.1	—	—	8.0	—	30.6	81.0	—	1d.	1 3*	—	1 3*	—	—		
Winkelhaak	12,000,000 (10/-)	3	319.5	63.8	—	—	—	—	309.3	45.4	59.4	6d.	—	—	—	—	—			
General Mining	Buffelsfontein	11,000,000 (10/-)	9	2582.9	1728.1	1487.9	1303.3	—	—	4070.8	3049.1	1551.5	7/5	1 6	1 6	1 6	1 9	8.1		
	Ellaton	787,500 (5/-)	9	238.0	283.3	143.0	152.0	—	—	381.0	438.7	Cr. 1.6	9/8	—	—	—	—	—		
	Stilfontein	13,062,920 (5/-)	3	1048.4	1255.1	171.0	170.0	412.0	—	807.4	1433.4	425.7	1/3	1 10 1/2	1 10 1/2	1 10 1/2	1 7 1/2	11.4		
	S. Roodepoort	1,420,662 (10/-)	9	199.1	204.1	—	—	82.0	85.7	128.5	136.2	7.9	1/10	1 1 1/2	1 1 1/2	1 1 1/2	1 1 1/2	—		
	W. Rand Cons.	4,250,000 (10/-)	3	632.8	612.7	(a)	(a)	278.0	279.0	307.6	307.6	22.1	1/1(c)	2 0	2 3	2 0	2 3	23.3		
Anglo-Trial	Hartebeestfontein	9,000,000 (10/-)	9	2572.6	2810.8	2087.9	2055.9	1785.0	—	2960.5	4922.1	1561.8	6/7	3 6	3 6	3 6	3 0	13.1		
	Loraine	15,363,345 (10/-)	6	L134.0	L116.3	140.0	132.8	—	—	10.7	21.6	1028.5	—	—	—	—	—	—		
	Rand Leases	3,600,000 (3d.)	9	186.2	102.1	—	—	6.5	6.2	209.0	128.3	18.9	1/2	—	9*	—	1 0*	—		
	Village M.R.	6,068,957 (1/3)	9	4.6	5.4	—	—	—	—	7.2	9.9	9.1	—	0 1/2	—	—	—	—		
	Virginia	13,278,952 (5/-)	3	14.9	41.4	311.3	325.8	—	—	284.4	317.7	54.8	5d.	—	—	—	—	—		
Others	N. Klein	1,735,000 (£1)	3	3.3	9.1	—	—	—	—	3.3	10.6	—	—	—	—	—	—	—		
	Spaarwater	7,974,968 (5/-)	3	1.6	1.8	—	—	—	—	1.6	1.8	—	—	—	—	—	—	—		
	Wit Nigel	7,974,720 (2/6)	9	40.8	48.7	—	—	—	—	47.3	58.3	4.6	1d.	1 1/2	—	1 1/2	—	11.1		

(a) Included under working profit. (b) And deferred shares. (c) After deferred shares participation. \* Capital Repayment.

## DEVELOPMENT AND MILLING RESULTS

(Cumulative and comparative "this" financial year to March 31, 1960 with "last.")

Yield on  
March  
25/1960  
(0/0)

GROUP	COMPANY	Months since year end	TOTAL ORE RESERVES			DEVELOPMENT RESULTS										MILL THROUGHPUT									
						Payability						Tonnage				Gold Recovered						Working Profit			
			Tons (000)	Value (dwt.)	Inch dwt.	Fr. Sampled (000)		%		Av. Value (In.-dwt.)		Milled (000)		Cost per Ton		Ounces (000)		Grade (dwt.perton)		Cost per ounce		Per ton		Per oz.	
						This	Last	This	Last	This	Last	This	Last	This	Last	This	Last	This	Last	This	Last	This	Last	This	Last
Gold Fields	Doornfontein	9	2,651	7-4	306	23-3	16-0	92	88	490	361	850	790	61/8	61/4	345-8	328-4	8-1	8-3	151/6	147/3	40/3	42/8	98/11	102/8
	Libanon	9	2,505	4-9	241	15-5	15-2	71	64	342	323	999	882	47/10	48/3	235-3	208-7	4-7	4-7	203/2	203/11	11/2	10/11	47/4	46/3
	Luipards Vlei	9	1,410	4-5	176	8-0	11-6	55	66	256	241	628	629	42/7	41/11	110-5	109-3	3-5	3-5	241/11	241/5	1/6	1/6	8/8	8/9
	Rietfontein C.	3	117	5-5	302	1-3	1-4	28	60	319	420	48	48	57/3	56/8	12-6	12-7	5-3	5-3	217/11	214/4	8/8	9/6	33/-	35/9
	Robinson	3	444	4-4	229	0-3	0-9	48	54	212	301	139	196	54/-	58/3	28-4	40-7	4-1	4-2	264/5	280/5	L2/10	L6/6	L14/-	L31/2
	Simmer	3	612	4-3	194	5-6	5-5	27	40	274	282	234	258	47/7	48/1	40-9	49-3	3-5	3-8	272/4	251/7	L3/9	L5d.	L21/7	L2/2
	Sub Nigel	9	653	7-8	307	15-8	14-9	27	27	349	309	594	596	53/-	52/7	139-2	142-8	4-7	4-8	225/9	219/6	5/9	7/4	24/8	30/9
	Venterspost	9	2,256	5-7	317	32-8	36-1	49	64	450	462	1,117	1,147	54/3	53/4	283-1	286-2	5-1	5-0	214/-	213/8	9/3	9/1	36/8	36/6
	Vlakfontein	3	1,638	7-9	328	8-2	7-8	47	42	399	396	153	148	55/8	55/7	54-7	53-3	7-1	7-2	155/9	154/11	33/10	33/10	94/7	94/4
	Vogels	3	1,580	4-9	202	8-1	6-4	25	24	275	295	260	276	48/8	48/-	55-6	62-7	4-3	4-5	227/9	211/5	5/-	8/10	23/3	38/9
W. Drie	9	3,082	15-7	663	14-3	16-0	91	97	807	646	970	738	73/11	82/4	888-7	700-2	18-3	19-0	80/9	86/9	155/8	155/-	169/11	163/4	
Anglo American	Brakpan	3	1,593	4-8	257	4-4	3-7	22	10	666	615	422	407	28/9	28/5	51-1	48-7	2-4	2-4	237/2	237/9	1/7	1/5	13/4	11/6
	Dagga	3	8,848	5-2	223	6-6	6-3	41	41	307	347	693	699	30/8	30/3	139-5	142-8	4-0	4-1	152/4	147/11	19/9	20/10	98/1	102/-
	East Dagga	3	4,744	4-7	171	4-7	5-5	25	36	321	355	311	284	34/9	35/7	52-6	47-2	3-4	3-3	205/4	214/3	7/7	5/11	45/-	35/10
	F. S. Geduld	6	2,766	20-9	928	4-9	4-9	92	90	1,235	1,604	559	449	77/3	78/7	479-2	339-1	17-1	15-1	90/2	104/-	137/4	110/7	160/3	146/5
	P. Brand	6	3,804	18-1	977	4-5	3-4	88	79	996	1,089	687	580	61/3	63/2	562-8	439-8	16-4	15-2	74/9	83/4	143/11	126/11	175/9	167/5
	P. Steyn	6	4,869	8-3	379	7-7	5-9	84	83	429	510	604	558	62/5	57/8	237-5	217-4	7-9	7-8	158/10	148/-	36/-	39/11	91/6	102/5
	S.A. Lands	3	3,570	5-9	264	7-5	4-8	34	38	410	495	284	273	43/3	40/5	59-0	57-4	4-2	4-2	207/8	192/3	8/10	12/-	42/5	57/2
	Springs	3	1,171	4-4	186	4-4	2-5	27	36	398	387	311	307	31/10	32/5	43-2	42-2	2-8	2-8	229/1	235/5	2/11	1/11	21/1	13/11
	Vaal Reefs	3	2,950	9-4	373	8-8	7-8	79	86	661	577	278	239	66/1	63/4	125-1	108-7	9-0	9-1	146/10	139/2	46/7	50/-	103/6	110/-
	Welkom	6	3,997	7-3	320	7-2	9-2	84	66	451	384	577	545	64/5	59/1	182-0	165-9	6-3	6-1	204/1	194/3	14/7	17/2	46/4	56/4
W. Holdings	6	4,730	16-0	757	8-3	7-5	85	91	993	1,034	853	604	56/8	58/2	561-9	357-6	13-2	11-8	86/1	98/2	108/4	90/2	164/5	152/3	
W. Reefs	3	4,573	6-8	309	10-7	10-9	60	42	650	566	400	342	52/3	50/3	112-5	88-2	5-6	5-2	186/-	194/6	18/2	14/2	64/10	55/-	
Central Mining	Blyvoor	9	6,203	14-1	606	13-1	9-8	78	88	572	726	1,148	959	64/11	69/1	752-3	628-7	13-1	13-1	99/-	105/5	99/2	94/11	151/4	144/9
	City Deep	3	3,461	5-9	240	4-6	4-9	48	38	346	365	331	338	51/10	50/5	69-9	70-8	4-2	4-2	245/6	240/8	1/1	1/10	4/11	8/11
	Cons. M. R.	9	1,029	5-5	239	5-8	13-8	12	20	381	318	785	1,132	46/3	37/10	150-0	181-5	3-8	3-2	241/11	236/1	1/7	2/3	8/5	14/3
	Crown	3	5,230	5-0	224	6-4	3-8	28	18	309	281	615	655	40/6	38/10	101-8	102-3	3-3	3-1	244/7	244/9	1/-	9d.	5/10	4/10
	Durban Deep	3	7,747	4-0	230	12-1	9-9	48	65	336	310	571	549	40/6	40/4	104-2	101-1	3-7	3-7	221/11	219/1	5/3	5/7	28/10	30/6
	E. Rand Prop.	3	5,427	6-3	298	2-5	0-9	48	60	508	581	652	645	55/6	53/4	166-9	166-1	5-1	5-2	216/11	207/-	8/8	10/11	33/9	42/6
	Harmony	9	3,897	9-1	480	11-1	5-9	72	88	502	512	1,284	913	64/6	68/10	511-8	366-1	7-9	8-0	161/11	171/9	35/4	31/5	88/7	78/4
	Modder E.	9	492	3-9	154	2-6	2-5	31	24	186	150	1,221	1,196	24/4	24/6	119-3	118-5	2-0	2-0	249/3	247/-	1d.	4d.	1/2	3/3
	Rose Deep	3	79	7-1	334	0-0	0-3	—	32	—	262	8	117	40/7	34/8	13-2	16-2	3-3	2-8	245/9	250/1	10d.	—	4/10	L d.
	T'vaal G.M.E.	3	115	9-6	—	1-3	1-4	8	37	275	300	21	21	71/4	70/2	5-9	5-8	5-6	5-5	255/5	251/5	3/8	7/1	13/-	25/6
J.C.I.	E. Ch'p d'Or	3	132	0-9	27	1-8	1-5	23	27	40	41	36	36	52/5	51/2	0-9	0-8	0-5	0-5	—	—	13/11	12/11	—	—
	Freddies Cons.	3	1,005	5-5	220	1-0	1-5	46	63	333	399	173	166	73/7	76/9	39-4	41-5	4-6	5-0	322/11	307/-	L15/2	L13/1	L66/6	L52/4
	Govt. G.M.A.	3	328	5-9	419	0-0	0-1	—	62	—	230	159	165	52/3	51/9	26-7	28-9	3-4	3-5	311/-	295/5	6d.	L2/3	2/10	L12/10
	Randfontein	3	285	4-7	240	0-4	0-0	72	—	342	—	67	89	45/4	39/-	12-7	15-6	3-8	3-5	2/9	5/3	79/11	75/-	22/9	22/11
Union Corporation	E. Geduld	3	7,250	5-9	313	0-0	1-3	—	46	—	192	401	390	35/3	35/2	118-1	119-6	5-9	6-1	119/7	114/9	38/6	41/4	130/10	134/8
	Geduld Prop.	3	400	3-8	224	0-9	2-1	33	33	411	360	222	206	38/5	42/3	40-6	38-2	3-7	3-7	210/1	228/-	7/5	4/1	40/8	21/11
	Grootvlei	3	12,500	4-5	216	5-0	4-3	55	64	261	318	645	595	30/9	32/1	134-7	126-2	4-2	4-2	147/2	151/3	21/7	20/10	103/2	98/1
	Marievale	3	5,400	5-0	235	4-3	4-6	44	31	221	193	297	265	36/1	39/2	72-7	67-0	4-9	5-1	147/5	154/10	25/2	24/-	102/11	94/9
	St. Helena	3	4,000	7-5	412	3-9	5-5	49	59	729	626	460	415	43/-	42/11	153-3	123-2	6-7	5-9	129/-	144/8	40/6	31/2	121/4	105/1
	Van Dyk	3	250	3-9	195	2-4	2-4	41	33	293	352	215	225	39/8	40/5	36-7	42-4	3-4	3-8	232/2	214/5	3/2	6/8	18/4	35/5
	Winkelhaak	3	1,600	6-8	408	6-3	5-4	89	75	575	430	242	206	50/8	52/5	74-3	48-3	6-1	4-7	164/10	223/5	26/5	6/2	85/11	26/5
General Mining	Buffelsfontein	9	3,034	9-8	601	15-8	21-7	88	95	609	652	1,285	1,103	56/7	53/9	496-4	375-3	7-7	6-8	146/5	158/-	40/2	31/4	104/1	92/1
	Ellaton	9	310	8-6	362	1-0	2-2	50	59	413	419	266	281	40/6	38/6	62-0	65-9	4-7	4-7	173/8	164/2	17/11	20/2	76/9	86/-
	Stilfontein	3	5,265	9-4	380	6-1	5-9	74	52	381	327	454	387	66/8	61/6	204-4	196-0	9-0	10-1	148/2	121/6	46/2	64/10	102/7	128/1
	S. Roodepoort	9	1,097	4-8	226	7-7	11-2	45	27	248	311	269	267	45/-	44/-	64-1	63-5	4-8	4-8	188/8	185/-	14/10	15/3	62/1	64/3
	W. Rand Cons.	3	4,759	3-4	166	4-2	4-9	71	64	287	344	373	387	—	—	58-3	62-6	3-1	2-0	—	—	—	—	—	—
Anglo T'vaal	Hartebeest	9	2,633	9-7	378	28-1	25-8	85	94	400	444	877	779	66/2	64/7	437-1	425-7	10-0	10-9	132/9	118/2	58/8	72/2	117/9	132/1
	Loraine	6	1,092	5-2	201	7-5	3-1	44	58	518	456	458	445	57/6	54/2	94-5	87-1	4-1	3-9	278/8	276/7	L5/10	L5/3	L28/4	L26/8
	Rand Leases	9	1,920	4-2	189	23-0	23-0	41	47	289	269	1,665	1,632	35/2	35/4	249-0	239-1	3-0	2-9	235/3	241/5	2/3	1/3	14/11	8/6
	Village M.R.	9	—	—	—	—	—	—	—	—	—	273	243	38/3	43/8	42-1	42-9	3-1	3-5	248/3					



# GOLD FIELDS GROUP COMPANIES

49 MOORGATE, LONDON, E.C.2.

## Directors' Reports of Gold Mining Companies operating in the Union of South Africa, for Quarter ended 31st March, 1960.

(All Companies mentioned are incorporated in the Union of South Africa, unless otherwise stated.)

### DOORNFONTEIN GOLD MINING COMPANY LIMITED.

ISSUED CAPITAL £4,914,000 IN 9,828,000 SHARES OF 10s. EACH

	Quarter ended 31st March, 1960	Nine months ended 31st March, 1960
<b>PRODUCTION</b>		
Gold		
Tons milled	283,000	850,000
Total yield ounces fine	*115,317	*345,812
Yield per ton milled (dwt.)	8.150	8.137
Working Revenue per ton milled	102s. 1d.	101s. 11d.
Working Expenditure per ton milled	61s. 7d.	61s. 8d.
Working Profit per ton milled	40s. 6d.	40s. 3d.
Working Revenue	£1,444,471	£4,330,519
Working Expenditure	871,530	2,619,883
Working Profit	£572,941	£1,710,636
Uranium Oxide		
Tons treated in leaching plant	74,000	233,000
Total yield Uranium Oxide (lb.)	24,904	75,356
Yield per ton treated Uranium Oxide (lb.)	0.337	0.323
Uranium Oxide sold (lb.)	26,756	75,242
Revenue (subject to adjustment)	£114,016	£333,363
Treatment Costs	£43,124	£125,834
Service Fee paid to West Driefontein	£23,892	£73,529
Profit	£47,000	£134,000
Total Working Profit	*£619,941	*£1,844,636
Capital Expenditure	£149,520	£345,227
Uranium Loan Instalment	£9,900	£29,700
State's Share of Profit	Nil	Nil
Taxation	Nil	Nil

NOTES: (1) \*Estimated effects of electricity power cut during March, 1960. Decrease in Profit, £17,750; Reduction of Gold Output, ounces, 2,044.

(2) The West Driefontein Uranium Plant, to which this Company and West Driefontein Gold Mining Company Limited contribute uranium bearing slime for the extraction of uranium oxide, was allocated a uranium sales quota for 1959 of 276,200 lbs. The quota for the year ending 31st December, 1960, has not yet been finally determined but is unlikely to be materially different from the 1959 quota.

<b>DEVELOPMENT</b>		
Footage Advanced	15,907	45,225
Footage Sampled	7,775	23,255
Payable—Footage	7,240	21,295
Per Cent	93.1	91.6
Slope Width (in.)	42.1	41.2
Slope Value—Gold (dwt./ton)	10.8	11.9
Inch-dwt. Gold	4.45	4.90
Slope Value—Uranium oxide (lb./ton)	0.23	0.22
Inch-lb. Uranium oxide	9.5	9.1

### THE SUB NIGEL LIMITED

ISSUED CAPITAL £22,148 IN 1,771,875 SHARES OF 3d. EACH

	Quarter ended 31st March, 1960	Nine months ended 31st March, 1960
<b>OPERATIONS</b>		
Tons milled	197,000	593,500
Total yield ounces fine	45,548	139,222
Yield per ton milled (dwt.)	4.624	4.692
Working Revenue per ton milled	57s. 11d.	58s. 9d.
Working Expenditure per ton milled	52s. 8d.	53s. 0d.
Working Profit per ton milled	5s. 3d.	5s. 9d.
Working Revenue	£570,255	£1,742,844
Working Expenditure	518,831	1,571,489
Working Profit	£51,424	£171,355
Capital Expenditure	£31	Cr. £6,250
Taxation	£12,966	£63,406
<b>DEVELOPMENT</b>		
Footage Advanced	5,191	17,301
Footage Sampled	4,865	15,820
Payable—Footage	1,125	4,205
Per Cent	23.1	26.6
Slope Width (in.)	40.6	39.2
Slope Value (dwt./ton)	7.4	8.9
Inch-dwt.	300	349

### AGREEMENT WITH SPAARWATER GOLD MINING COMPANY LIMITED.

An agreement has been entered into with Spaarwater Gold Mining Company Limited permitting this Company to carry out development and, subject to the approval of the Minister of Mines, stoping operations in a portion of the Spaarwater Company's lease area on a royalty basis. Under this agreement 341 feet of development was accomplished during the quarter, and of the 325 feet sampled 40 feet equal to 12.3 per cent proved payable at an average value of 11.6 dwt. per ton over an estimated stoping width of 37.0 inches equivalent to 429 inch-dwt.

### VOGELSTRAISBUILT GOLD MINING AREAS LIMITED.

ISSUED CAPITAL £62,857 IN 5,028,571 SHARES OF 3d. EACH

	Quarter ended 31st March, 1960	Year ended 31st Dec., 1959
<b>PRODUCTION</b>		
Gold		
Tons milled	260,000	1,091,000
Total yield ounces fine	55,597	242,679
Yield per ton milled (dwt.)	4.277	4.449
Working Revenue per ton milled	53s. 8d.	55s. 9d.
Working Expenditure per ton milled	48s. 8d.	48s. 5d.
Working Profit per ton milled	5s. 0d.	7s. 4d.
Working Revenue	£697,890	£3,043,107
Working Expenditure	633,205	2,643,164
Working Profit	£64,685	£399,943
Uranium Oxide and Pyrite		
Tons treated in leaching plant	118,400	488,400
Total yield Uranium Oxide (lb.)	52,913	210,758
Yield per ton treated, Uranium Oxide (lb.)	0.447	0.432
Uranium Oxide sold (lb.)	56,063	208,640
Total pyrite produced and sold (ton)	7,570	31,851
Revenue (subject to adjustment)	£283,874	£1,109,770
Treatment Costs	118,874	474,770
Working Profit	£165,000	£635,000
Total Working Profit	£229,685	£1,034,943
Taxation	£94,698	£339,869
Capital Expenditure	—	£259
Uranium Loan Instalment	£72,000	£288,000

NOTE:—The Company's uranium sales quota for 1959 was 208,640 lbs. The quota for the twelve months ending 31st December, 1960, has not yet been finally determined but is unlikely to be materially different from the 1959 quota.

### DEVELOPMENT

<b>Main Reef</b>		
Footage Sampled	4,475	16,440
Payable—Footage	1,295	5,055
Per Cent	28.9	30.7
Slope Width (in.)	40.9	41.3
Slope Value (dwt./ton)	7.6	6.4
Inch-dwt.	311	264
<b>Kimberley Reef</b>		
Footage Sampled	3,650	13,560
Payable—Footage	730	3,660
Per Cent	20.0	27.0
Slope Width (in.)	42.9	44.3
Gold : Value (dwt./ton)	4.8	5.3
Inch-dwt.	296	235
Uranium Oxide : Value (lb./ton)	0.28	0.29
Inch-lb.	12.0	12.8
<b>Total Development</b>		
Footage Advanced	10,504	43,696
Footage Sampled	8,125	30,000
Payable—Footage	2,025	8,715
Per Cent	24.9	29.1
Slope Width (in.)	41.6	42.6
Gold : Value (dwt./ton)	6.6	5.9
Inch-dwt.	275	251

### ROBINSON DEEP LIMITED

ISSUED CAPITAL £550,000 IN 2,000,000 "B" SHARES OF 5s. 6d. EACH

	Quarter ended 31st March, 1960	Year ended 31st December, 1959
<b>OPERATIONS</b>		
Tons milled	139,000	685,500
Total yield ounces fine	28,378	140,812
Yield per ton milled (dwt.)	4.083	4.108
Working Revenue per ton milled	51s. 2d.	51s. 5d.
Working Expenditure per ton milled	54s. 0d.	54s. 8d.
Working Loss per ton milled	2s. 10d.	3s. 3d.
Working Revenue	£355,576	£1,761,547
Working Expenditure	375,453	1,873,760
Working Loss	£19,877	£112,213
Capital Expenditure	£854	£49,606
Taxation	Nil	Nil
<b>DEVELOPMENT</b>		
Footage Advanced	817	3,502
Footage Sampled	320	2,675
Payable—Footage	155	1,405
Per Cent	48.4	52.5
Slope Width (in.)	45.2	47.6
Slope Value (dwt./ton)	4.7	7.3
Inch-dwt.	212	347

NOTE.—In view of the working losses sustained a further reduction in the scale of operations was implemented during the quarter ended 31st March, 1960, and stoping is now confined, as far as possible, to ore reserve blocks only.



(Incorporated in England) (Head Office : Johannesburg)

(Incorporated in England) (Head Office : Johannesburg)

DEVELOPMENT		
Footage Advanced .....	9,503	41.79
Footage Sampled .....	8,230	34.26
Payable—Footage .....	3,880	14.50
Per Cent .....	47.1	42.
Slope Width (in.) .....	41.1	41.
Slope Value (dwt/ton) .....	9.7	9.
Inch-dwt .....	399	38

**RIETFontein CONSOLIDATED MINES LTD.**

ISSUED CAPITAL £14,028 IN 1,122,252 SHARES OF 3d. EACH

	Quarter ended 31st March, 1960	Year ended 31st December, 1959
<b>OPERATIONS</b>		
Tons milled.....	48,000	192,000
Total yield ounces fine.....	12,625	50,910
Yield per ton milled (dwt.).....	5,260	5,303
Working Revenue per ton milled.....	65s. 11d.	66s. 5d.
Working Expenditure per ton milled.....	57s. 3d.	56s. 10d.
Working Profit per ton milled.....	8s. 8d.	9s. 7d.
Working Revenue.....	£158,164	£637,229
Working Expenditure.....	137,338	545,391
Working Profit.....	£20,826	£91,838
Capital Expenditure.....	£813	£203
Taxation.....	£10,477	£37,353
<b>DEVELOPMENT</b>		
Footage Advanced.....	3,302	16,787
Footage Sampled.....	1,335	6,020
Payable—Footage.....	380	2,580
Per Cent.....	28.5	42.9
Slope Width (in.).....	49.8	53.8
Slope Value (dwt./ton).....	6.4	7.0
Inch-dwt.....	319	377

In addition, 457 feet of exploratory development was carried out under prospecting permit outside the south-western boundary of the mine, during the quarter ended 31st March, 1960.

**VENTERSPOST GOLD MINING CO. LTD.**

ISSUED CAPITAL £2,450,000 IN 4,900,000 SHARES OF 10s. EACH

	Quarter ended 31st March, 1960	Nine months ended 31st March, 1960
<b>OPERATIONS</b>		
Tons milled.....	362,000	1,117,000
Total yield ounces fine.....	92,162	283,116
Yield per ton milled (dwt.).....	5,092	5,069
Working Revenue per ton milled.....	63s. 10d.	63s. 6d.
Working Expenditure per ton milled.....	55s. 4d.	54s. 3d.
Working Profit per ton milled.....	8s. 6d.	9s. 3d.
Working Revenue.....	£1,155,333	£3,547,286
Working Expenditure.....	1,001,738	3,028,751
Working Profit.....	*£153,595	*£518,535
Capital Expenditure.....	£27,468	£96,982
Taxation.....	£34,670	£139,713
* Estimated effects of electricity power cut during March, 1960:		
Decrease in Profit, £42,980. Reduction of Gold Output Ounces 3,994.		
<b>DEVELOPMENT</b>		
Footage Advanced.....	15,679	51,225
Footage Sampled.....	9,730	32,845
Payable—Footage.....	4,935	16,180
Per Cent.....	50.7	49.3
Slope Width (in.).....	56.9	56.9
Slope Value (dwt./ton).....	7.7	7.9
Inch-dwt.....	438	450

**LIBANON GOLD MINING COMPANY LTD.**

ISSUED CAPITAL £3,968,650 IN 7,937,300 SHARES OF 10s. EACH

	Quarter ended 31st March, 1960	Nine months ended 31st March, 1960
<b>OPERATIONS</b>		
Tons milled.....	336,000	999,000
Total yield ounces fine.....	*79,668	*235,342
Yield per ton milled (dwt.).....	4,742	4,712
Working Revenue per ton milled.....	59s. 5d.	59s. 0d.
Working Expenditure per ton milled.....	48s. 3d.	47s. 10d.
Working Profit per ton milled.....	11s. 2d.	11s. 2d.
Working Revenue.....	£997,967	£2,946,899
Working Expenditure.....	810,949	2,389,930
Working Profit.....	*£187,018	*£556,969
Capital Expenditure.....	£100,168	£326,484
Taxation.....	Nil	Nil
* Estimated effects of electricity power cut during March, 1960:		
Decrease in Profit, £7,490. Reduction of Gold Output Ounces, 951		
<b>DEVELOPMENT</b>		
Footage Advanced.....	17,886	56,145
Footage Sampled.....	6,355	15,455
Payable—Footage.....	4,550	11,040
Per Cent.....	71.6	71.4
Slope Width (in.).....	47.0	48.1
Slope Value (dwt./ton).....	7.4	7.1
Inch-dwt.....	348	342

**HARVIE-WATT SHAFT**—During the quarter ended 31st March, 1960, the Harvie-Watt Shaft was sunk a distance of 502 feet to a total depth of 5,419 feet. In addition, the excavation of Nos. 17, 18 and 19 stations was completed.

**SIMMER AND JACK MINES LIMITED.**

ISSUED CAPITAL £506,250 IN 6,750,000 SHARES OF 1s. 6d. EACH

	Quarter ended 31st March, 1960	Year ended 31st December, 1959
<b>OPERATIONS</b>		
Tons milled.....	234,000	1,006,000
Total yield ounces fine.....	40,934	192,333
Yield per ton milled (dwt.).....	3,499	3,824
Working Revenue per ton milled.....	43s. 10d.	47s. 10d.
Working Expenditure per ton milled.....	47s. 7d.	49s. 0d.
Working Loss per ton milled.....	3s. 9d.	1s. 2d.
Working Revenue.....	£512,792	£2,406,184
Working Expenditure.....	556,906	2,462,867
Working Loss.....	£44,114	£56,683
Capital Expenditure.....	Nil	Cr. £3,212
Taxation and State's Share of Profit.....	Nil	£361
<b>DEVELOPMENT</b>		
Footage Advanced.....	6,372	35,047
Footage Sampled.....	5,980	25,480
Payable—Footage.....	1,520	8,780
Per Cent.....	34.5	34.5
Slope Width (in.).....	49.0	44.2
Slope Value (dwt./ton).....	5.6	6.0
Inch-dwt.....	274	265

**FREE STATE SAAIPLAAS GOLD MINING COMPANY LIMITED**

ISSUED CAPITAL £9,715,531 IN 19,431,062 SHARES OF 10s. EACH

**NO. 1 SHAFT**—The footage advanced at this shaft during the quarter amounted to 7,475 feet. The footage sampled totalled 1,605 feet of which 600 feet, equal to 37.4 per cent proved payable at an average value of 5.6 dwt. per ton over an estimated stopping width of 50.5 inches, equivalent to 283 inch-dwt. Progress was retarded by water bearing fissures requiring cementation treatment.

**NO. 2 SHAFT**—Development commenced on all levels and a total of 3,292 feet was advanced from this shaft, all of which was off reef. The initial development was mainly directed towards the completion of station layouts and the cutting of

the rock-pass systems.

**HOUSING**—A total of 412 houses has been authorised in Virginia Township. Of this number 279 have been built and 98 are in the course of construction.

**REDUCTION WORKS**—Construction work on both plant and buildings continued satisfactorily.

**NATIVE QUARTERS**—Work in connection with extensions to the living quarters to the Native Compound is progressing.

**GENERAL**—General construction work proceeded satisfactorily.

**NOTES.**—The development returns of the above Mining Companies show the actual sampling results: adjustments which may be required when estimating ore reserves have not been applied. Copies of the reports may be obtained from the London Secretary of the Companies, 49 Moorgate, London, E.C.2.

**ECONOMICS OF SOUTH AFRICAN GOLD MINING**

by R. E. WALLACE and A. S. ROBERTSON

With illustrations by JOHN L. TURNER

**THIS** book (now available for the first time at a "popular" price) has been specially written for the non-technical mining investor by two Johannesburg accountants in collaboration with a geologist and a mining engineer. It explains how to make full use of the wealth of geological, mining and statistical data, published monthly and quarterly, by the South African groups.

Such information, which is almost invariably reported and commented on in the financial and mining press, often presupposes a degree of knowledge not only of geology and of the techniques of prospecting and mining

but also of the limits of economic mining and of the mathematics of share valuation, which many investors do not possess. It is this knowledge which *Economics of South African Gold Mining* supplies.

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**PRICE 12s. 6d.**

LTD.

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9s. 0d.  
7s. 10d.  
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Nil

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# What Does the Investor Do Now?

Meanwhile the Kaffir investor, who has seldom been characterised by an inclination to take the long view, can less than ever be expected to do so now, and the mining industry must reconcile itself to a period, possibly prolonged, in which Kaffirs (and indeed all South African shares) will be regarded in Continental markets and to a lesser extent in London and New York, as carrying a substantially increased political risk, on which correspondingly higher yields will be required.

It is too early to foresee precisely what added risk premium the market is going to require, but in view of the many attractive bargains which are now to be had in the Kaffir market it is clear that the prospective purchaser will require some kind of yardstick.

The M.J. has always counselled that the prospective purchaser should regard a yield of 8 per cent on eventual earnings as a prudent minimum requirement for mines not yet at peak production, with correspondingly higher yields for medium and short life mines. By industrial equity standards this is a high yield which takes account both of amortization requirements and of the risks inherent both in mining and in the South African political situation. We do not ourselves at present see any reason for changing this basis, because we do not consider that the events of the past few weeks have done anything to increase the political risk, but have served only to bring them out into the open.

(Continued on page 9)

Atlas Copco Jet drills in action in a development end on a Far West Rand gold mine

## SPAARWATER GOLD MINING COMPANY LIMITED

(Incorporated in the Union of South Africa)

### REPORT OF THE DIRECTORS For the Quarter ended 31st March, 1960

Tons milled	32,500	
Total yield ounces fine	10,084	
Total yield per ton (dwt.)	6.205	Per Ton Milled
		s. d.
Working Revenue	£126,154	77 8
Cost of Mining and Milling	100,540	61 10
Excess of Revenue over Cost of Mining and Milling	25,614	15 10
Expenditure on Development	23,984	14 10
Working Profit	£1,630	1 0
Expenditure on Capital Account		Nil
Government Taxes		Nil

### DEVELOPMENT

The total footage advanced during the quarter amounted to 2,831 feet. The footage sampled amounted to 2,250 feet, of which 555 feet, equal to 24.7 per cent, proved payable at an average value of 7.5 dwt. per ton over an estimated stopping width of 40.5 inches, equivalent to 304 inch-dwt.

Not included above is 341 feet of development advanced by The Sub Nigel Limited in the Spaarwater lease area under a tribute agreement with that company. The footage sampled amounted to 325 feet, of which 40 feet, equal to 12.3 per cent proved payable at an average value of 11.6 dwt. per ton over an estimated stopping width of 37.0 inches, equivalent to 429 inch-dwt.

Western Section of Mine—Development in the Western Section continued during the quarter. The footage sampled amounted to 1,560 feet, of which 420 feet, equal to 26.9 per cent, proved payable at an average value of 8.2 dwt. per ton over an estimated stopping width of 36.9 inches, equivalent to 303 inch-dwt.

In addition 314 feet were advanced under prospecting permission in the area outside the western boundary of the mine. The footage sampled amounted to 305 feet, all of which proved unpayable.

Development returns show the actual sampling results: adjustments which may be required when estimating ore reserves have not been applied.

By Order of the Board,

E. A. O'CONNOR, London Secretary.

London Office: 120 Moorgate, London, E.C.2.  
13th April, 1960.

## WITWATERSRAND NIGEL, LIMITED

(Incorporated in the Union of South Africa)

### REPORT OF THE DIRECTORS For the Quarter ended 31st March, 1960

#### PRODUCTION

Tons Milled	56,900	
Yield (in oz. fine)	13,086	
Yield per Ton Milled (dwts.)	4.600	Per Ton Milled
		s. d.
Working Revenue	£163,938	57 7
Working Costs	149,905	*52 8
Working Profit	14,033	4 11
Add: Sundry Revenue	£2,220	
NET PROFIT	£16,253	

(\*229s. 1d. per oz. fine)

#### CAPITAL EXPENDITURE

The Capital Expenditure for the Quarter amounted to £683.

#### DEVELOPMENT

Development Footage	5,270 feet
Footage on Reef	3,124 feet
Footage Sampled	3,105 feet

The payable reef disclosures were as follows:—

710 feet, or 23%, averaging 15.70 dwts. per ton over a width of 14.37 inches, equivalent to 225 inch-dwts.

(No allowance has been made in the above results for adjustments necessary before calculation of the corresponding Ore Reserve.)

By Order of the Board,

E. A. O'CONNOR, London Secretary.

London Office: 120 Moorgate, London, E.C.2.  
21st April, 1960.



# THE CENTRAL MINING—RAND MINES GROUP

South African Mining Companies' Directors' Reports for Quarter ended 31st March, 1960.

Office of the London Secretaries: 4 London Wall Buildings, E.C.2

The development values quoted hereunder represent actual results of sampling, no allowance having been made for any adjustments which may be necessary when estimating ore reserves at the ends of the respective financial years.

## BLYVOORUITZICHT GOLD MINING COMPANY, LIMITED.

Ore Milled 378,000 tons		Slimes treated for Uranium 411,238 tons	
GOLD YIELD		URANIUM YIELD	
Ozs. Fine.	Dwt. per ton	lb.	lb. per ton
247,353	13.087	150,374	0.366
		Uranium sold 163,443 lb.	
		Per ton Milled s. d.	
Working Revenue—Gold	..	£3,098,805	163 11
Working Expenditure—Gold	..	1,233,532	65 3
<b>WORKING PROFIT</b>	..	<b>£1,865,273</b>	<b>98 8</b>
Revenue—Uranium sold	..	£681,239	
Treatment Costs—Uranium sold	..	276,861	
Working Profit—Uranium sold	..	404,378	
Working Profit—Sulphuric Acid	..	40,372	
<b>TOTAL WORKING PROFIT</b>	..	<b>£2,310,023</b>	

Adjusting for Sundry Revenue (net) £42,800, less interest on Uranium and Sulphuric Acid Loans £22,800, the **TOTAL PROFIT** was £2,330,023.

Taxation and Lease Consideration £1,248,700.  
Capital Expenditure (Gold, Uranium and Acid) £184,000.  
Uranium and Sulphuric Acid Loan Accounts—Quarterly Instalment—Capital Repayment, £134,500.

Mining operations and the production of gold and uranium were adversely affected by the restrictions on electric power supplies which were imposed by the Electricity Supply Commission during the third week of March, 1960.

The Atomic Energy Board has not yet allocated to this Company an Agency sales quota for the year ending 31st December, 1960, but it is not anticipated that there will be any material change in the quota of 653,720 lb. allocated for the previous year.

**DEVELOPMENT** totalled 17,688 feet.

### PAYABLE DISCLOSURES

Reef	Footage Sampled	Feet	%	Channel Value dwt./ton	Channel Width inches	Uranium Value lb./ton
Carbon Leader	4,990	4,325	86.7	91.4	7	3.784

## CITY DEEP, LIMITED

Ore Milled 331,000 tons.		Yield 69,888 oz. fine.		Yield per ton 4.223 dwt.	
				Per ton Milled s. d.	
Working Revenue	..	..	..	£875,271	52 11
Working Expenditure	..	..	..	858,079	51 10
<b>WORKING PROFIT</b>	..	..	..	<b>£17,192</b>	<b>1 1</b>

Adjusting for Sundry Revenue £7,300, the **TOTAL PROFIT** was £24,492.

Taxation £700.

Capital Expenditure £2,900.

The Company has been classified, in terms of the Income Tax Act, as a deep level gold mine with effect from 1st January, 1959.

**DEVELOPMENT** totalled 9,585 feet.

### PAYABLE DISCLOSURES

Reef	Footage Sampled	Feet	%	Channel Value dwt./ton	Channel Width inches	Uranium Value lb./ton
South Reef	1,550	480	31.0	12.0	23	
Main Reef Leader	2,220	1,590	71.6	26.5	14	
Main Reef	860	170	19.8	8.9	35	
<b>TOTALS &amp; AVERAGES</b>	<b>4,630</b>	<b>2,240</b>	<b>48.4</b>	<b>19.2</b>	<b>18</b>	

## CONSOLIDATED MAIN REEF MINES AND ESTATE LIMITED

Ore Milled 225,000 tons.		Yield 44,350 oz. fine.		Yield per ton 3.942 dwt.	
				Per ton Milled s. d.	
Working Revenue	..	..	..	£555,954	49 5
Working Expenditure	..	..	..	537,535	47 9
<b>WORKING PROFIT</b>	..	..	..	<b>£18,419</b>	<b>1 8</b>

Adjusting for Sundry Revenue £6,300, the **TOTAL PROFIT** was £24,719.

Taxation £2,400.

**DEVELOPMENT** totalled 1,684 feet.

### PAYABLE DISCLOSURES

Reef	Footage Sampled	Feet	%	Channel Value dwt./ton	Channel Width inches	Uranium Value lb./ton
South Reef	350	90	25.7	12.1	18	
Main Reef Leader	550	140	25.5	121.7	3	
Main Reef	200	—	—	—	—	
<b>TOTALS &amp; AVERAGES</b>	<b>1,100</b>	<b>230</b>	<b>20.9</b>	<b>34.1</b>	<b>9</b>	

## EAST RAND PROPRIETARY MINES, LIMITED.

Ore milled 652,000 tons.		Yield 166,940 oz. fine.		Yield per ton 5.121 dwt.	
				Per Ton Milled s. d.	
Working Revenue	..	..	..	£2,092,252	64 2
Working Expenditure	..	..	..	1,810,526	55 6
<b>WORKING PROFIT</b>	..	..	..	<b>£281,726</b>	<b>8 8</b>

Adjusting for Sundry Revenue £1,100, the **TOTAL PROFIT** was £282,826.

Taxation £3,000.

Capital Expenditure on shaft sinking and equipment, etc. (Net) £232,800 on Property, Dr. £5,600.

The Company has been classified, in terms of the Income Tax Act, as a deep level gold mine with effect from 1st January, 1959.

**DEVELOPMENT** totalled 13,327 feet.

### PAYABLE DISCLOSURES

Reef	Footage Sampled	Feet	%	Channel Value dwt./ton	Channel Width inches	Uranium Value lb./ton
South Reef	560	150	26.8	8.8	49	
Main Reef Leader	210	—	—	—	—	
Composite Reef	860	600	69.8	33.5	15	
Main Reef	850	440	51.8	9.1	59	
<b>TOTALS &amp; AVERAGES</b>	<b>2,480</b>	<b>1,190</b>	<b>48.0</b>	<b>14.1</b>	<b>36</b>	

The Far East Sub-Vertical Shaft was sunk 343 feet and reached its final depth of 4,338 feet below the collar (9,361 feet below surface) on 19th February, 1960.

## HARMONY GOLD MINING COMPANY, LIMITED.

Ore Milled 441,000 tons		Slimes treated for Uranium 440,070 tons	
GOLD YIELD		URANIUM YIELD	
Ozs. Fine	Dwt. per ton	lb.	lb. per ton
177,014	8.028	205,400	0.467
		Pyrites concentrate recovered 8,259 tons	
		Sulphuric Acid produced 9,283 tons	
		Uranium sold 223,723 lb.	
		Per ton Milled s. d.	

Working Revenue—Gold	..	..	..	£2,217,307	100 7
Working Expenditure—Gold	..	..	..	1,450,127	65 9
<b>WORKING PROFIT</b>	..	..	..	<b>£767,180</b>	<b>34 10</b>
Revenue—Uranium sold and Pyrites produced	..	..	..	£930,824	
Treatment costs—Uranium sold and Pyrites produced	..	..	..	343,838	
Working Profit—Uranium sold and Pyrites produced	..	..	..	586,986	
Working Profit—Sulphuric Acid	..	..	..	53,359	
<b>TOTAL WORKING PROFIT</b>	..	..	..	<b>£1,407,525</b>	

Adjusting for interest on Uranium and Pyrites Loans £22,900 and interest on Central Mining Finance Loan £32,400, less Sundry Revenue £45,400, the **NET PROFIT** was £1,397,625.

Dividend No. 8 of 1s. 3d. per share, declared on 18th March, 1960, payable on or about 25th May, 1960, to Shareholders registered on 14th April, 1960—£1,125,000.

Capital Expenditure (Gold, Uranium, Pyrites and Acid) £413,800.

Uranium and Pyrites Loans—Quarterly Instalment—Capital Repayment, £95,000.

### OPERATIONS

Hoisting operations at No. 3 Shaft were interrupted and milling operations were consequently adversely affected during the first week of February due to a skip accident. Mining operations and the production of gold and uranium were adversely affected by the restrictions on electric power supplies which were imposed by the Electricity Supply Commission during the third week of March, 1960.

**URANIUM QUOTA**—The Atomic Energy Board has not yet allocated to this Company an Agency sales quota for the year ending 31st December, 1960, but it is not anticipated that there will be any material change in the quota of 492,780 lb. allocated for the previous year.

**TAXATION AND LEASE CONSIDERATION**—No South African taxation or Lease Consideration is as yet payable by the Company.

**NO. 2 SHAFT**—In addition to the normal reef and off-reef development accomplished during the quarter, 4,404 feet and 4,922 feet of off-reef development was done on 21 and 25 levels respectively.

**VENTILATION SHAFT**—The concrete fan drift is all but complete and erection of the fans is due to start early in April.

**SULPHURIC ACID PLANT**—The acid plant is producing at its rated capacity of approximately 120 tons per day.

**UNDERGROUND WATER**—During the quarter, the water pumped per 24 hours averaged 4,641,000 gallons and for the month of March 4,657,000 gallons.

**DEVELOPMENT**—Total 20,499 feet.

### PAYABLE DISCLOSURES

Reef	Footage Sampled	Feet	%	Channel Value dwt./ton	Channel Width inches	Uranium Value lb./ton
Basal	2,935	2,450	83.5	18.8	29	1.041

**CROWN MINES, LIMITED**

Ore Milled 615,000 tons.	Yield 101,752 oz. fine.	Yield per ton 3.309 dwt.
		Per ton Milled
Working Revenue .. .. .	£1,274,834	41 6
Working Expenditure .. .	1,244,990	40 6
<b>WORKING PROFIT</b> .. .	<b>£29,844</b>	<b>1 0</b>

Adjusting for Sundry Revenue £12,600, the **TOTAL PROFIT** was £42,444.  
 Taxation £13,400.  
 Capital Expenditure—Property, £4,700.  
 The Company has been classified, in terms of the Income Tax Act, as a deep level gold mine with effect from 1st January, 1959.  
**DEVELOPMENT** totalled 9,395 feet.

— PAYABLE DISCLOSURES —					
Reef	Footage Sampled	Feet	%	Channel Value dwt./ton	Channel Width Inches
Kimberley Reef .. .	580	220	37.9	4.8	43
South Reef .. .	1,160	360	31.0	16.7	18
Main Reef Leader .. .	2,370	640	27.0	18.6	17
Main Reef .. .	2,245	585	26.1	9.7	36
<b>TOTALS &amp; AVERAGES</b>	<b>6,355</b>	<b>1,805</b>	<b>28.4</b>	<b>11.9</b>	<b>26</b>

**ROSE DEEP, LIMITED.**

Ore milled 80,000 tons.	Yield 13,225 oz. fine.	Yield per ton 3.306 dwt.
		Per ton Milled
Working Revenue .. .	£165,734	41 5
Working Expenditure .. .	162,535	40 7
<b>WORKING PROFIT</b> .. .	<b>£3,199</b>	<b>0 10</b>

Adjusting for Sundry Revenue £1,400, the **Total Profit** was £4,599.  
 Taxation £400.  
**DEVELOPMENT**—No development was done during the quarter.

**TRANSVAAL GOLD MINING ESTATES, LIMITED**

Ore Milled 21,000 tons.	Yield 5,867 oz. fine.	Yield per ton 5.588 dwt.
		Per ton Milled
Working Revenue .. .	£78,747	75 0
Working Expenditure .. .	74,937	71 4
<b>WORKING PROFIT</b> .. .	<b>£3,810</b>	<b>3 8</b>

Adjusting for Sundry Revenue £300, less expenses at Registered Office and in London, £3,500, the **Net Profit** was £610.  
 Working Expenditure includes development charges amounting to £6,274 equal to 5s. 11.7d. per ton milled.  
 Capital Expenditure—Equipment, etc. (Net.) Dr. £4,600.  
 The superphosphate plant commenced operation during January, 1960. However, as the demand for superphosphate fertiliser is seasonal, it will not be possible to give financial results of the operation of this plant more than once a year.  
**DEVELOPMENT** totalled 1,260 feet.

— PAYABLE REEF DISCLOSURES —					
Reef	Footage Sampled	Feet	%	Channel Value dwt./ton	Channel Width Inches
Main Reef .. .	1,300	100	7.7	27.5	10

**DURBAN ROODEPORT DEEP, LIMITED.**

Ore Milled 571,000 tons.	Yield 104,246 oz. fine.	Yield per ton 3.651 dwt.
		Per ton Milled
Working Revenue .. .	£1,306,746	45 9
Working Expenditure .. .	1,156,416	40 6
<b>WORKING PROFIT</b> .. .	<b>£150,330</b>	<b>5 3</b>

Adjusting for Sundry Revenue £10,400, the **TOTAL PROFIT** was £160,730.  
 Taxation £23,000.  
 Capital Expenditure on shaft sinking and equipment (net) £35,000.

**DEVELOPMENT** totalled 24,861 feet.

— PAYABLE DISCLOSURES —					
Reef	Footage Sampled	Feet	%	Channel Value dwt./ton	Channel Width Inches
Kimberley Reef .. .	6,570	3,310	50.4	6.7	45
South Reef .. .	300	30	10.0	164.8	4
Main Reef .. .	5,200	2,510	48.3	9.8	39
<b>TOTALS &amp; AVERAGES</b>	<b>12,070</b>	<b>5,850</b>	<b>48.5</b>	<b>8.0</b>	<b>42</b>

No. 1.E Sub-vertical Shaft was raised 20 feet to a total height of 61 feet above the 40th level.

**MODDERFONTEIN EAST, LIMITED**

Ore milled 403,000 tons.	Yield 39,106 oz. fine.	Yield per ton 1.941 dwt.
		Per ton Milled
Working Revenue .. .	£490,090	24 4
Working Expenditure .. .	497,345	24 8
<b>WORKING LOSS</b> .. .	<b>£7,255</b>	<b>0 4</b>

Adjusting for Sundry Revenue £2,300, the **NET LOSS** was £4,955.  
 Taxation and Lease Consideration £1,400.  
 The following announcement was published in the Press on 5th February, 1960:—

The Directors of Modderfontein East, Limited, announce that owing to the persistent decline in the available tonnage of ore reserve, it has become increasingly difficult to maintain mining operations at a profit. Owing to the virtual completion of the development programme and to the narrow margins on which the mine has been operating for some time, there is little hope under existing conditions of any improvement in the position. In these circumstances it has been considered necessary to give the statutory three months' notice to the Government, in terms of the Gold Law, of the possible discontinuance of mining operations.

**DEVELOPMENT** totalled 672 feet.

— PAYABLE DISCLOSURES —					
Reef	Footage Sampled	Feet	%	Channel Value dwt./ton	Channel Width Inches
Main Reef Leader .. .	365	145	39.7	8.4	25

At worst Sharpeville can be but one more landmark in the Union's steadily worsening race relations. At best, it may prove to be the turning point in its racial policies and as such would justify writing the political risk factor down rather than up. Nevertheless, investors who towards the end of last year were talking gaily of a 7 per cent yield basis, and had even been encouraged by Mr. Engelhard to think in terms of 6 per cent, are likely for a while to regard something much nearer 10 per cent as a minimum; and on psychological grounds at least it would be difficult to criticise such a requirement.

**New Issues Can Wait**

Certainly this is no time for the industry to come to the market for new capital, but by good fortune there has seldom been a time when this was less urgent. Prior to this year's slump in Kaffirs, South Africa had reached a point where her financial institutions in general, and more especially those associated with the mining industry, were exceptionally liquid, very largely in consequence of the approach towards full production of the many new gold mines opened up in the immediate post-war period.

Even allowing for the recent sharp fall in the market value of its portfolios, the

mining industry as a whole could, if put to it, probably finance, from within its own resources and through its loan facilities, all foreseeable capital requirements over the next five years, if not longer. This is not to say that it would wish to do so, but merely that whatever other troubles it may have to face, the operational progress of the industry is not in danger of being retarded by a prolonged period of market nervousness.

**How the Market has Moved since the Start of the Year**

Quite aside from its financial strength, the industry has internally remained quite insulated from the urban disturbances. The recruitment of native labour (which remains tribal) is again breaking all records, and gold output is rising steadily, while continued shaft sinking records and the electronic wonders of the new mills being designed for Leslie and Bracken serve as reminders of the industry's continued technical advance. Externally, as we have already pointed out, all that has changed in the past three months has been the market's assessment of the political risk, not the degree of the risk itself.

In this context it is significant that the F.T. Gold Share Index fell 19 points be-

tween January 1 and April 8. Of the fall prior to April 8, 11 points occurred before Sharpeville and 8 afterwards. This suggests that while the South African disturbances have undoubtedly been a major market factor, they have not been so dominant an influence in this year's price slide, as might have been supposed.

The second point to observe about this slide is that, even when we take the heavy Continental selling into account, there has overall been much less selling than the fall in prices would suggest, and indeed in Britain, and still more in the States, shares have remained remarkably firmly held. Just how firmly, it is, admittedly, a little early to say, as following one day's heavy selling immediately after Sharpeville, the jobbers, for a time, virtually closed the market by marking prices sharply down and where that did not suffice, by widening their quotations.

To this extent, the market may not yet be over the worst of its difficulties in that the adverse psychological climate created by recent political events may have decided some investors to get out for good once prices are more nearly back to normal, thereby constituting a continuing political tap on the market of which the effects may last for some time.

(Continued on page 13)

# JOHANNESBURG CONSOLIDATED INVESTMENT COMPANY, LIMITED GROUP

## MINING COMPANIES' REPORTS FOR THE QUARTER ENDED 31st MARCH, 1960 WITH COMPARATIVE FIGURES FOR THE PREVIOUS QUARTER.

(All Companies mentioned are incorporated in the Union of South Africa)

GENERAL REMARKS—The development values are the actual results of the sampling of development work on reef; no allowance has been made for modifications which may be necessary when computing ore reserves.

### FREDDIES CONSOLIDATED MINES, LIMITED

ISSUED CAPITAL	£16,359,913	
(Divided into 16,359,913 shares of £1 each, fully paid)		
	Quarter ended	Quarter ended
	31st March, 1960	31st Dec., 1959
<b>OPERATIONS</b>		
Gold:		
Tons Milled	173,000	178,000
Gold Produced—ounces fine	39,410	42,139
Yield per ton milled—dwts.	4.56	4.73
Cost per ton milled	73s. 7d.	73s. 7d.
Uranium—O.F.S. Joint Production Scheme:		
Tonnage apportioned to this Company	170,649	178,237
Production apportioned—lbs.	49,212	55,036
Yield per ton on lbs. apportioned	.288	.309
Sales of Uranium Oxide—lbs.	49,212	55,036
<b>RESULTS OF OPERATIONS</b>		
Revenue from Gold and Sundry Revenue	£505,386	£540,050
Less: Working Costs	636,350	654,911
<b>LOSS ON GOLD MINING</b>	£130,964	£114,861
Uranium—Revenue from Uranium sold (subject to future adjustment)	£210,257	£240,158
Less: Share of Joint Treatment Charges apportioned to this Company from the O.F.S. Joint Production Scheme for the quarter	86,655	97,733
	£123,602	£142,425
<b>LOSS (last quarter Profit)</b>	£7,362	£27,564
	(Loss)	(Profit)
Add: Contribution towards capital cost of O.F.S. Joint Production Scheme	31,602	33,425
<b>TOTAL OPERATING LOSS FOR QUARTER</b>	£38,964	£5,861
	This Quarter	Last Quarter
Add:		
Interests payable on amounts advanced to the Company by the National Finance Corporation of South Africa and certain Building Societies	£11,926	£13,354
Contribution toward cost of Atomic Energy Board's Uranium Research Programme	1,179	1,915
Capital Expenditure	Nil	Nil
	13,105	15,269
<b>EXCESS OF EXPENDITURE OVER INCOME FOR QUARTER</b>	£52,069	£21,130
<b>DEVELOPMENT</b>		
Total Development—feet	11,868	10,677
Sampled:		
Feet	990	1,305
Value—gold—dwts.	41.8	45.9
Value—uranium—lbs.	2.6	2.9
Width—inches	6.1	6.3
Inch-dwts.—gold	255	289
Inch-lbs.—uranium	16	18
Payable:		
Feet	*460	*910
Percentage	46	70
Value—gold—dwts.	52.8	53.2
Value—uranium—lbs.	2.9	3.3
Width—inches	6.3	6.5
Inch-dwts.—gold	333	346
Inch-lbs.—uranium	18	21
*Payability is based on the combined Gold and Uranium content.		

### THE RANDFONTEIN ESTATES GOLD MINING COMPANY, WITWATERSRAND, LIMITED

ISSUED CAPITAL	£4,063,553	
(Divided into 4,063,553 shares of £1 each, fully paid)		
	Quarter ended	Quarter ended
	31st March, 1960	31st Dec., 1959
<b>OPERATIONS</b>		
Gold Division		
Tons Milled	67,000	92,000
Gold Produced—ounces fine	12,667	16,561
Yield per ton milled—dwts.	3,781	3,600
Cost per ounce	239s. 7d.	233s. 11d.
Revenue per ton milled	48s. 1d.	45s. 5d.
Cost per ton milled	45s. 4d.	42s. 1d.
Profit per ton milled	2s. 9d.	3s. 4d.
Revenue from Gold and Sundry Revenue	£161,049	£209,069
Less: Working Costs	151,755	193,712
<b>OPERATING PROFIT</b>	£9,294	£15,357

### THE RANDFONTEIN ESTATES GOLD MINING CO., WITWATERSAND, LIMITED—continued

Uranium Division		
Tons Milled	479,000	493,000
Cost per ton milled	79s. 11d.	78s. 4d.
Uranium Oxide produced—lbs.	469,756	466,081
Yield per ton milled—lb.	.981	.945
Uranium Oxide sold—lbs.	477,548	457,962
Gold produced—ounces fine	24,359	24,144
Yield per ton milled—dwts.	1.017	.979
Revenue from Uranium Oxide sold, subject to future adjustment	£2,402,283	£2,333,224
Less: Net Mine Working Costs (i.e. after deducting Sundry Revenue and Revenue from Gold in Uranium Ore) and Treatment Costs attributable to Uranium Oxide sold	1,915,507	1,847,733
Profit on Uranium Oxide sold	£486,776	£485,491
Net Revenue from Acid sold	58,461	59,776
<b>OPERATING PROFIT</b>	£545,237	£545,267
<b>RESULTS OF OPERATIONS</b>		
Combined Operating Profit for quarter—Gold and Uranium Divisions	£554,531	£560,624
	This Quarter	Last Quarter
Less: Estimated Taxation	£157,000	£146,000
Contribution towards cost of Atomic Energy Board's Uranium Research Programme	14,819	14,284
Provision for Interest on and repayment of Uranium Loans	215,086	215,086
Capital Expenditure	Nil	Nil
	386,905	375,370
<b>BALANCE FOR PROFIT FOR QUARTER</b>	£167,626	£185,254
<b>URANIUM LOANS</b>		
Balance of Loans outstanding at end of Quarter	£3,567,976	£3,746,150
<b>DEVELOPMENT</b>		
Total Development—feet	35,393	37,033
Gold Division		
Development—feet	875	142
Sampled—feet	360	55
Payable—feet	260	20
Percentage payable	72	36
Value—dwts.	7.6	21.5
Width—inches	45	19
Inch-dwts.	342	409
Uranium Division—Bird Reef Series		
Development—feet	34,518	36,891
Sampled:		
Feet	4,145	5,395
Value—uranium—lbs.	1.8	2.0
Value—gold—dwts.	2.0	2.3
Width—inches	26	26
Inch-lbs.—uranium	47	52
Inch-dwts.—gold	52	60
Payable:		
Feet	*1,385	*2,885
Percentage	33	53
Value—uranium—lbs.	3.2	2.8
Value—gold—dwts.	4.6	3.6
Width—inches	23	25
Inch-lbs.—uranium	74	70
Inch-dwts.—gold	106	90
* In the case of the Uranium Division payability is based on the combined Gold and Uranium content.		

### WESTERN AREAS GOLD MINING COMPANY LIMITED

AUTHORISED AND ISSUED CAPITAL...£8,270,000.0.0  
PAID UP CAPITAL...£4,890,847.5.0  
(Divided into 7,528,926 units of stock of 10s. each, fully paid and 9,011,074 shares of 10s. each, 2s. 6d. per share paid).

#### SHAFT SINKING AND EQUIPPING

Shaft	Shaft Sinking		Concrete Lining		Estimated depth of Shaft on completion
	Advance for Quarter	Depth at 31/3/60	Advance for Quarter	Depth at 31/3/60	
Main Shaft	286	356	260	315	4,850
Ventilation Shaft	1,399	1,597	1,350	1,545	3,500
Total	1,685		1,610		



**WESTERN AREAS GOLD MINING CO., LTD.,—cont.****Main Shaft**

Shaft sinking commenced on 13th March, 1960. Prior to this, the shaft had been sunk to a depth of 100 feet by the contractor responsible for the installation of the shaft collar.

**Ventilation Shaft**

Shaft sinking commenced on 20th January, 1960. Prior to this, the shaft had been sunk to a depth of 198 feet by the contractor responsible for the installation of the shaft collars. At an elevation of 960 feet below collar, a temporary pump station and cable pocket was cut.

**Pre-Cementation**

The drilling of four diamond drill holes for the pre-cementation of the ground through which the shafts will pass was completed and a total of 64,542 pockets of cement was injected.

**Head Gears**

The permanent headgears for both shafts have been erected and equipped.

**Hoists**

The hoists necessary for the sinking of both shafts have been erected and are in operation.

**European Housing**

A further eighteen houses for the use of European employees are being erected in Westonaria Township. Temporary Single Quarters and a Mess are in operation on the Mine property.

**Non-European Accommodation**

Sufficient accommodation is available for current requirements.

**Mines Services**

All services are operating satisfactorily.

**General Buildings and Mine Store**

The Mine Store, Change House and Office buildings are in use.

**EXPENDITURE**

Capital Expenditure during the quarter amounted to £657,000 bringing the total capital expenditure to 31st March, 1960, to £3,328,000, which sum includes expenditure incurred in establishing the mine as well as the cost of the Mining Lease, Freehold Property, Mineral Rights, Prospecting expenditure, preliminary and share issue expenses.

**GOVERNMENT GOLD MINING AREAS (Modderfontein) CONSOLIDATED LIMITED**

ISSUED CAPITAL £70,000  
(Divided into 5,600,000 shares of 3d. each, fully paid)

	Quarter ended 31st March, 1960	Quarter ended 31st Dec., 1959
<b>OPERATIONS</b>		
Tons Milled	159,000	155,000
Gold recovered from current milling—ounces fine	26,726	27,948
Recovery per ton—dwts.	3.362	3.606
Gold recovered from old residues—ounces fine	5,560	4,236
<b>RESULTS OF OPERATIONS</b>		
Revenue from Gold, Silver and Osmiridium, including revenue from sales of gold derived from the treatment of old residues	£403,483	£401,750
Rents and Sundry Revenue	8,128	7,556
Revenue from Sales of Salvaged Plant and Equipment	7,379	6,260
	£418,990	£415,566
Less: Working Costs	415,216	412,463
Net Revenue from Gold Mining, Treatment of old residues and Salvage Operations and Sundry Revenue	£3,774	£3,103
Net Revenue from Pyrite	79,526	79,092
<b>TOTAL PROFIT FOR QUARTER</b>	£83,300	£82,195
	This Quarter	Last Quarter
Less: Estimated Government Share of Profits and Taxation	£13,800	£13,500
Provision for Interest on and repayment of Pyrite Loans	10,350	10,350
Capital Expenditure	Nil	Nil
	24,150	23,850
<b>BALANCE OF PROFIT FOR QUARTER</b>	£59,150	£58,345
<b>PYRITE LOANS</b>		
Balance of Loans outstanding at end of quarter	£169,943	£178,533
<b>DEVELOPMENT</b>		
Total Development—feet	Nil	Nil

**GROUP COLLIERIES**

The tonnages sold and the working profits earned by the collieries of the Group were as follows:

	Quarter ended 31st March, 1960		Quarter ended 31st December, 1959	
	Tons sold	Working profit	Tons sold	Working profit
CONSOLIDATED COLLIERIES...	73,773	£11,917	61,732	£6,499
PHOENIX COLLIERY.....	302,120	54,037	298,395	58,980
NATAL CAMBRIAN COLLIERIES..	113,343	18,258	116,651	27,409
	489,236	£84,212	476,778	£92,888

**THE EAST CHAMP D'OR GOLD MINING COMPANY LIMITED**

ISSUED CAPITAL £259,875  
(Divided into 2,079,000 shares of 2s. 6d. each, fully paid)

	Quarter ended 31st March, 1960	Quarter ended 31st Dec., 1959
<b>OPERATIONS</b>		
Tons milled	36,000	36,000
Cost per ton milled	52s. 5d.	52s. 10d.
Uranium Oxide produced—lbs.	28,596	27,556
Uranium Oxide sold—lbs.	28,596	27,556
Yield per ton milled—lb.	.794	.765
Gold produced—ounces fine	872	973
Yield per ton milled—dwt.	.484	.541
<b>RESULTS OF OPERATIONS</b>		
Uranium Division		
Revenue from Uranium Oxide sold, subject to future adjustment	£143,055	£138,643
Less: Net Mine Working Costs (i.e. after deducting Sundry Revenue and Revenue from Gold in Uranium Ore). Treatment Costs and Rental Charges	118,017	113,392
	£25,038	£25,251
Gold Division		
Profit from the milling of 4,500 (last quarter 4,500) tons arising from reclamation operations on the Main Reef series	701	1,382
<b>TOTAL OPERATING PROFIT FOR QUARTER</b>	£25,739	£26,633
	This Quarter	Last Quarter
Less: Estimated Taxation	£8,400	£9,900
Contribution towards cost of Atomic Energy Board's Uranium Research Programme	891	905
Provision for interest on and repayment of Uranium Loans	3,905	3,905
Capital Expenditure	Nil	Nil
	13,196	13,810
<b>BALANCE OF PROFIT FOR QUARTER</b>	£12,543	£12,823
<b>URANIUM LOANS</b>		
Balance of Loans outstanding at end of Quarter	£67,368	£70,578
<b>DEVELOPMENT</b>		
Development—feet	2,538	2,225
Sampled:		
Feet	1,835	1,605
Value—uranium—lbs.	1.4	1.4
Value—gold—dwts.	1.2	1.2
Width—inches	19	17
Inch-lbs.—uranium	27	24
Inch-dwts.—gold	23	20
Payable		
Feet	*420	*400
Percentage	23	25
Value—uranium—lbs.	3.3	2.6
Value—gold—dwts.	3.1	1.8
Width—inches	13	16
Inch-lbs.	43	42
Inch-dwts.—gold	40	29

\*Payability is based on the combined Gold and Uranium content.

**MAP OF THE KLERKSDORP FIELD**

★While a mine is at the development stage, it is of vital importance to have a visual picture of its position in relation to the field as a whole. Otherwise the quarterly results published by the companies lose much of their significance.

★Results reported from adjacent mines often have a direct bearing on the one in which you are interested, which, however, can only become apparent if you have clearly in mind the position of all the properties in relation to one another.

★The Technical Map Service, located in Johannesburg, performs this service most effectively, for the Klerksdorp field. This map and its accompanying statistical handbook show:—

- the exact position of each mine on the field
- where in each property boreholes have been or are being sunk, how far they have gone and what the core recovery has been on reef intersection
- what shafts are being sunk, how far they have gone and what the final depth is expected to be.

Obtainable in London from **The Mining Journal** Price 25s. paper; 35s. linen (plus 1s. postage)

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# GENERAL MINING & FINANCE CORPORATION, LIMITED

(Incorporated in the Union of South Africa)

## GOLD MINING COMPANIES' DIRECTORS' REPORTS FOR THE QUARTER ENDED 31st DECEMBER, 1959

All companies mentioned are incorporated in the Union of South Africa

	BUFFELSFONTEIN GOLD MINING COMPANY LIMITED			ELLATON GOLD MINING COMPANY LIMITED			SOUTH ROODEPOORT MAIN REEF AREAS LIMITED			STILFONTEIN GOLD MINING COMPANY LIMITED			WEST RAND CONSOLIDATED MINES LIMITED		
	Sept. 1959	Dec. 1959	March 1960	Sept. 1959	Dec. 1959	March 1960	Sept. 1959	Dec. 1959	March 1960	Sept. 1959	Dec. 1959	March 1960	Sept. 1959	Dec. 1959	March 1960
<b>PRODUCTION</b>															
<b>GOLD:</b>															
Tons milled	432,000	435,000	418,000	94,000	89,000	83,000	90,000	90,000	89,000	454,000	480,000	454,000	431,000	403,000	373,000
Ounces fine recovered	164,030	167,931	164,534	21,614	20,705	19,738	21,455	21,419	21,237	210,111	216,118	204,430	62,147	56,604	52,769
Yield per ton—dwt.	7.594	7.721	7.872	4.599	4.653	4.756	4.768	4.760	4.772	9.256	9.005	9.006	2.884	2.809	2.829
Revenue per ton milled	95/-	96/8	98/8	57/6	58/2	59/6	60/1	60/2	60/3	116/-	112/8	112/10	37/8	36/8	37/-
Cost per ton milled	55/5	55/8	58/8	39/6	40/-	42/1	44/10	44/11	45/2	63/1	62/7	66/8	35/2	34/9	36/11
Profit per ton milled	39/7	41/-	40/-	18/-	18/2	17/5	15/3	15/3	15/1	52/11	50/1	46/2	2/6	1/11	1d
<b>URANIUM:</b>															
Tons treated	425,000	379,000	330,000	101,287	99,783	97,697	90,000	90,000	89,000	280,400	308,500	319,700	229,000	226,000	227,000
Uranium oxide produced—lb.	197,472	190,079	188,736	31,267	29,285	31,433	21,455	21,419	21,237	85,064	94,648	92,049	311,906	311,700	311,229
Yield per ton treated—lb.	0.4646	0.5015	0.5719	0.3087	0.2935	0.3217	0.238	0.238	0.238	0.3034	0.3068	0.2879	1.362	1.379	1.371
Uranium oxide sold—lb.	191,750	191,765	191,750	30,800	30,800	30,800	30,800	30,800	30,800	85,940	90,949	92,940	311,906	311,531	311,702
<b>URANIUM SECTION (WEST RAND CONS)</b>															
Gold—ounces fine recovered															
Yield per ton—dwt.															
Cost per ton															
<b>FINANCIAL</b>															
<b>GOLD:</b>															
Working revenue	2,051,834	2,102,007	2,062,573	270,298	238,972	247,038	270,262	270,741	268,076	2,633,802	2,704,676	2,562,602	811,314	738,040	690,325
Working costs	1,196,698	1,211,343	1,225,519	185,683	178,021	174,656	201,650	202,118	200,996	1,432,402	1,502,008	1,514,204	756,988	699,245	688,157
Working profit	855,136	890,664	837,054	84,615	80,951	72,382	68,612	68,623	67,080	1,201,400	1,202,668	1,048,398	54,326	38,795	2,168
<b>URANIUM:</b>															
Working revenue	747,888	758,999	767,821	138,447	131,260	136,919	138,447	131,260	136,919	361,569	382,789	402,260	1,211,433*	1,231,857*	1,215,854*
Working and treatment costs	171,888	185,999	197,821	86,447	80,260	84,919	86,447	80,260	84,919	158,569	159,789	176,260	597,272	612,037	585,206
Working profit	576,000	573,000	570,000	52,000	51,000	52,000	52,000	51,000	52,000	203,000	223,000	226,000	614,161	619,820	630,648
Sulphuric Acid: Working profit	60,000	62,000	61,000	—	—	—	—	—	—	48,000	49,000	47,000	—	—	—
Additional revenue	—	—	—	—	—	—	1,750	2,250	2,225	—	—	—	14,229	48,261	27,223
<b>TOTAL PROFIT</b>	1,491,136	1,525,664	1,468,054	136,615	131,951	124,382	70,362	70,873	69,305	1,452,400	1,474,668	1,331,398	682,716	706,876	660,039
Taxation (Inc. State's share of profits)	—	—	—	—	—	—	28,000	27,000	27,000	—	305,000	412,000	286,000	307,000	278,000
Uranium and other Loan repayments (including interest)	661,434	726,377	131,284	198,836	145,049	116,915	—	—	—	165,631	181,506	165,631	74,472	74,472	74,472
<b>CAPITAL EXPENDITURE:</b>															
Gold	456,567	457,670	637,171	Cr. 690	Cr. 830	Cr. 75	83	7,211	591	716,689	795,146	425,689	17,970	7,126	22,125
Uranium, Pyrite and Acid	11,722	10,868	17,008	Cr. 300	Cr. 300	Cr. 300	—	—	—	63,263	90,000	88,724	5,997	9,478	NI
Contributions received (Uranium)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
<b>DEVELOPMENT</b>															
Total footage advanced	31,395	31,327	30,697	31,395	31,327	30,697	31,395	31,327	30,697	31,395	31,327	30,697	31,395	31,327	30,697

Notes: (1) Copies of the full quarterly Reports may be obtained on application to the London Secretaries at address given below.  
(2) Operations on all mines of the Group were seriously affected for a period of five consecutive days during March as a result of the power supply by the Electricity Supply Commission being inadequate for the full requirements of the mines. The consequence thereof were losses of ounces fine gold and profits were affected. The figures relative to the individual companies were as follows: — Bufilefontein 5,598 ounces and £75,999; Ellatlon 504 ounces and £6,840; South Kootpoont 282 ounces and £2,606; Stiffontein 6,600 ounces and £88,307; West Rand Consolidated 2,392 ounces and £32,335.

London Office: Winchester House, Old Broad Street, E.C.2.  
For and on behalf of General Mining & Finance Corporation Limited, B. M. IVISON, London Secretary  
12th April, 1960

There have, moreover, at times during the past fortnight, been suggestions that the market had been over-sold and that the consequential bear covering, coupled with some serious buying generated by present attractive prices, might make it at any rate possible that the market will now go better. However, as we go to press there is little sign of this.

Probably the ultimate beneficiaries of the present slump will prove to have been the South African institutional investors, who in recent weeks has been picking up their favourite shares at bargain prices. In fact, the capacity of the Johannesburg market to absorb stock from other centres, which has been a notable characteristic of the past two years, has been more especially in evidence since January. Estimates vary widely, but it seems fairly certain that during 1958 and 1959 alone net selling through London must have averaged not less than £2,000,000 per month. At this rate of progress it cannot be so very long before the majority holding in many of the newer mines and finance houses shifts from foreign into South African hands.

The remarkable capacity of Johannesburg to go on absorbing other people's stock has been due to the high degree of liquidity in the South African economy which, aside from the rising tide of dividends from the mines themselves, owes much, as in Britain, to the rapid growth of insurance funds seeking an outlet. In this context, it is significant that some of the big Afrikaner insurance and investment companies have been steady buyers of Kaffirs for some time now.

A development for which the recent market slump is only partially responsible has been the steep falling off in arbitrage dealing, which under normal circumstances would have prevented the widening gap between Johannesburg and London quotations. This is now in some cases as high as 9 per cent (e.g. President Steyn), while total costs of arbitrage dealing do not exceed 3½ per cent exclusive of stamp duty which is payable if, as is often the case at present, Cape scrip cannot be obtained.

What appears to be discouraging these operations at the moment is the increasing delay in the delivery to Johannesburg of scrip bought from London. Even under normal conditions it is not too unusual for an arbitrage dealer to be carrying £500,000 or more of stock at any one time, the financing of which is always an important consideration and becomes doubly so when

(Continued on page 15)



# UNION CORPORATION, LIMITED

(Incorporated in the Union of South Africa)

Directors' Reports of Gold Mining Companies Incorporated in the Union of South Africa  
for Quarter ended 31st March, 1960

London Office: Princes House 95 Gresham Street, London, E.C.2

## EAST GEDULD MINES, LTD.

ISSUED CAPITAL £1,800,000 IN STOCK UNITS OF 4s. EACH

Tons Milled	401,000	Gold Produced (in oz. fine)	118,089	Per ton Milled	
		Yield per Ton Milled (dwt.)	5.89	s. d.	
Working Revenue			£1,478,914	73	9
Working Costs			706,308	35	3
<b>WORKING PROFIT</b>			772,606	38	6
Sundry Revenue, less Sundry Expenditure			13,401		
<b>TOTAL PROFIT</b> (subject to Taxation and Government's share)			£786,007		
Estimated Taxation and Government's share of profit			£408,500		
Capital Expenditure			Nil		

DEVELOPMENT—The Main Reef horizon can now be considered for all practical purposes to be fully developed and no further reports of development values on this reef will be made. A small footage was driven on the Kimberley Reef but disclosed no payable values.

## GEDULD PROPRIETARY MINES, LTD.

ISSUED CAPITAL £1,460,857 IN SHARES OF £1 EACH

Tons milled	222,000	Gold Produced (in oz. fine)	40,601	Per ton Milled	
		Yield per Ton Milled (dwt.)	3.66	s. d.	
Working Revenue			£508,996	45	10
Working Costs			426,400	38	5
<b>WORKING PROFIT</b>			82,596	7	5
Sundry Revenue less Sundry Expenditure			6,333		
<b>TOTAL PROFIT</b> (subject to Taxation)			£88,929		
Estimated Taxation			£33,000		
Capital Expenditure			Nil		

PAYABLE DEVELOPMENT

DEVELOPMENT	Footage driven	Footage sampled	Footage payable	% dwt.	Av. value	Width ins.	In./dwt.
Black Reef	1,576	910	300	33	5.5	75	411

## THE GROOTVLEI PROPRIETARY MINES, LTD.

ISSUED CAPITAL £2,859,704 STOCK IN UNITS OF 5s. EACH

Tons Milled	645,000	Gold Produced (in oz. fine)	134,707	Per ton Milled	
		Yield per Ton Milled (dwt.)	4.18	s. d.	
Working Revenue			£1,686,156	52	4
Working Costs			991,037	30	9
<b>WORKING PROFIT</b>			695,119	21	7
Sundry Revenue less Sundry Expenditure			10,568		
<b>TOTAL PROFIT</b> (subject to Taxation and Government's share)			£705,687		
Estimated Taxation and Government's share of profit			£360,200		
Capital Expenditure			Nil		

PAYABLE DEVELOPMENT

DEVELOPMENT	Footage driven	Footage sampled	Footage payable	% dwt.	Av. value	Width ins.	In./dwt.
Main Reef	4,517	3,760	2,260	60	19.5	14	273
Kimberley Reef	2,457	1,200	450	38	33.7	6	202

## BRACKEN MINES, LTD.

ISSUED CAPITAL 14,000,000 SHARES OF 10s. EACH

**NO. 1A SHAFT:** No. 1A Shaft was sunk to a depth of 110 feet using temporary equipment. Sinking was then suspended while the permanent headgear and hoists were erected and the shaft-sinking equipment installed. Full-scale sinking commenced on 5th April.

**NO. 1 SHAFT:** No. 1 Shaft has been sunk to a depth of 111 feet and work on the erection of the headgear and stage winder has commenced. The erection of the main winder and service winder is well advanced.

**POWER:** Adequate electric power is now available. Work on the permanent E.S.C. sub-station and yard is progressing satisfactorily.

**COMPRESSORS:** Two 40 drill compressors have been commissioned and work on the erection of a third compressor is under way.

**BUILDINGS:** Good progress has been maintained on the building of change houses, shaft offices and workshops. The first portion of the compound is already occupied.

**EXPENDITURE:** Expenditure on Shafts, Plant and Equipment and General Expenditure amounted to £282,368.

## ST. HELENA GOLD MINES, LTD.

ISSUED CAPITAL £4,812,500 IN SHARES OF 10s. EACH

Tons Milled	460,000	Gold Produced (in oz. fine)	153,333	Per ton Milled	
		Yield per Ton Milled (dwt.)	6.67	s. d.	
Working Revenue			£1,919,707	83	6
Working Costs			989,302	43	0
<b>WORKING PROFIT</b>			930,405	40	6
Sundry Expenditure less Sundry Revenue			£10,169		
<b>TOTAL PROFIT</b> (subject to Taxation and Government's share)			£920,236		
Estimated Taxation and Government's share of profit			Nil		
Capital Expenditure			£197,122		

PAYABLE DEVELOPMENT

DEVELOPMENT	Footage driven	Footage sampled	Footage payable	% dwt.	Av. value	Width ins.	In./dwt.
Basal Reef	19,823	3,935	1,945	49	28.0	26	729

The following station cutting was accomplished during the quarter: No. 2 Shaft 1,516 feet.

No. 7 SHAFT was sunk 1,074 feet to a total depth of 4,321 feet below surface. During this period the shaft holed at a depth of 4,013 feet to 18 level crosscut which is being developed from No. 2 Shaft towards the President Brand boundary. Shaft sinking has been stopped for about a month because of the mechanical failure of a hoist. The shaft sinking personnel were sent on leave, which was due, and sinking will be resumed shortly.

**DIVIDEND:** On 11th March, 1960, Dividend No. 9 of 2s. 3d. per share was declared payable to shareholders registered at 14th April, 1960. Dividend warrants will be posted about 25th May, 1960.

## WINKELHAAK MINES, LTD.

ISSUED CAPITAL £6,000,000 IN SHARES OF 10s. EACH

Tons Milled	242,000	Gold Produced (in oz. fine)	74,344	Per Ton Milled	
		Yield per Ton Milled (dwt.)	6.14	s. d.	
Working Revenue			£932,199	77	1
Working Costs			612,730	50	8
<b>WORKING PROFIT</b>			319,469	26	5
Sundry Expenditure less Sundry Revenue			10,226		
<b>TOTAL PROFIT</b> (subject to Taxation and Government's share)			£309,243		
Estimated Taxation and Government's share of profit			Nil		
Capital Expenditure			£59,362		

PAYABLE DEVELOPMENT

DEVELOPMENT	Footage driven	Footage sampled	Footage payable	% dwt.	Av. value	Width ins.	In./dwt.
	14,288	6,305	5,600	89	16.0	36	575

**SURFACE DRILLING:** Borehole 32 sited approximately 6,000 feet north-east of No. 3 Shaft intersected reef at 3,239 feet. An average of three intersections gave 3.82 dwt. over 63.8 inches equivalent to 244 inch-dwt.

## LESLIE GOLD MINES, LTD.

ISSUED CAPITAL 16,000,000 SHARES OF 10s. EACH

**NO. 1A SHAFT:** No. 1A Shaft has been sunk to a depth of 108 feet and the permanent headgear and hoist have been erected. Work is at present in progress on the installation of the shaft sinking equipment. It is hoped to commence full scale sinking during the second half of April.

**NO. 1 SHAFT:** No. 1 Shaft has been sunk to a depth of 110 feet and work is about to commence on the erection of the headgear. The construction of one of the permanent winders and the stage hoist has commenced.

**PRE-CEMENTATION OF SHAFT SITES:** The cementation of No. 1A Shaft site has been completed. Work on the cementation of No. 1 Shaft site is continuing.

**POWER:** Adequate electric power is now available. Work on the permanent E.S.C. sub-station and yard is proceeding satisfactorily.

**COMPRESSORS:** One 30-drill compressor is in commission and the installation of a second compressor is well advanced.

**BUILDINGS:** Good progress is being maintained on the buildings of change houses, shaft offices and workshops. Work on the compound has been deferred as all Native labour will be housed at Bracken Mines, Limited in the first instance.

**EXPENDITURE:** Expenditure on Shafts, Plant and Equipment and General Expenditure amounted to £189,613.

**MARIEVALE CONSOLIDATED MINES, LTD.**

ISSUED CAPITAL £2,250,000 IN SHARES OF 10s. EACH

Tons Milled .. 297,000 Gold Produced (in oz. fine) 72,685  
Yield per Ton Milled (dwt.) .. 4.90

	£	s.	d.	Per ton Milled
Working Revenue	£909,930	61	3	
Working Costs	535,796	36	1	

**WORKING PROFIT** .. 374,134 .. 25 2

Sundry Revenue less Sundry Expenditure .. 2,730

**TOTAL PROFIT** (subject to Taxation and Government's share) .. £376,864Estimated Taxation and Government's share of profit .. £192,700  
Capital Expenditure .. Nil**DEVELOPMENT** .. PAYABLE DEVELOPMENT

	Footage driven	Footage sampled	Footage payable	%	Av. value dwt.	Width ins.	In./dwt.
Main Reef	1,869	1,890	725	38	13.3	18	240
Kimberley Reef	3,013	2,395	1,140	48	12.3	17	209

**VAN DYK CONSOLIDATED MINES, LTD.**

ISSUED CAPITAL £69,150 IN SHARES OF 3d. EACH

Tons Milled .. 215,000 Gold Produced (in oz. fine) .. 36,741  
Yield per Ton Milled (dwt.) .. 3.42

	£	s.	d.	Per ton Milled
Working Revenue	£460,243	42	10	
Working Costs	426,517	39	8	

**WORKING PROFIT** .. 33,726 .. 3 2

Sundry Revenue less Sundry Expenditure .. 4,909

**TOTAL PROFIT** (subject to Taxation and Government's share) .. £38,635Estimated Taxation and Government's share of profit .. £8,000  
Capital Expenditure .. Nil**DEVELOPMENT** .. PAYABLE DEVELOPMENT

	Footage driven	Footage sampled	Footage payable	%	Av. value dwt.	Width ins.	In./dwt.
Main Reef—all shafts	2,814	2,005	890	44	7.1	42	298
No. 5 Shaft Area included above	575	450	265	59	21.6	22	476
Kimberley Reef	563	430	115	27	2.9	88	253

Discounts have been applied to development values to conform with adjustments which are necessary in estimating the ore reserves at the year end.

delayed delivery automatically increases the stock he is carrying. This is a matter of particular concern to Johannesburg dealers as normally South African banks will only provide accommodation for up to 50 per cent of the stock carried whereas London banks will finance up to 90 per cent.

A further influence inhibiting London arbitrage dealings during the South African uncertainties of recent weeks has been a reluctance to build up large selling commitments in Johannesburg on which, because of the growing delay in scrip delivery, settlement cannot be expected for several weeks.

Unimpeded arbitrage operations are an integral part of the smooth functioning of any international market and is not surprising that the councils of both the Johannesburg and London Stock Exchanges have lately been showing concern over this matter.

**Which Shares Have Stood Up Best?**

In the context of the bargain-hunting which has been going on in Johannesburg, it is of interest to consider those shares which have either fallen less in value than the rest or which recovered more sharply after the initial fall. In the first place, the majority of shares in the break-up and near break-up categories have fallen less than average, presumably on the assumption that the higher urban labour costs (which

promise to be an inevitable consequence of the disturbances) will add to the cost of mine purchases, quite apart from possibly leading to higher mine wages, and will thus tend to hasten the closure of such mines and consequently advance the dates of liquidation re-payments. It should, however, be remembered that the value of the freehold owned by some of these mines is greatly dependent on future Government policy.

Incidentally, the marginal mines in general would have difficulty in surviving any appreciable increase in African wage rates, unless accompanied by some form of subsidy. These mines, which are mainly in the category of the older low graders, tend to have a larger native complement, and therefore a higher native wages bill, than do the newer mines. Broadly native wages represent anything from 15 per cent of working costs on a new mine at full production such as West Driefontein, to 25 per cent on an old low-grader such as Simmer and Jack.

Break-ups apart, Bracken and Leslie fell less than average, while notable among the shares which have recovered more sharply than the rest since the fall are Winkelhaak, Vaal Reefs, Venterspost, Loraine, and Saint Helena. Here is one possible indicator to the shares which local opinion in Johannesburg regard as the most desirable portfolio acquisitions.

**Quarterly Results**

The January to March quarterly results themselves have proved to be singularly

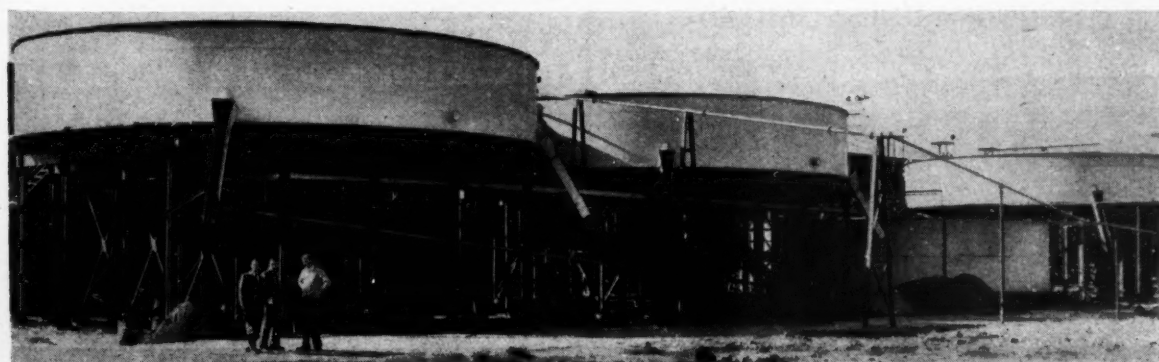
devoid of special interest. The March results for all but two of the mines on the West Rand and in the O.F.S. were affected by the five-day restriction on power consumption consequent on the post-disaster closure at the Coalbrook pit. (Randfontein has its own power station, and was also able to help Fredries on an emergency basis.) The imposition of the restriction led to a cut back to between 75 and 80 per cent of normal usage. The March profits of all the mines concerned appear to have been affected proportionately to much the same extent, working out at about 5 per cent of gold output and 10 per cent of profits. Collectively these mines suffered profit losses totalling £990,000 and gold production losses of 82,874 oz., valued at £1,036,000.

To European investors living in countries now accustomed to carrying tens of millions of tons of coal stocks above ground, it must have come as something of a surprise to discover how small the stock margin at South African power stations appears to be. Stockpiling of coal is admittedly an expensive business requiring special safety precautions, but even so the fractional increase in power costs needed to meet this would surely have been cheaper than the cost of so disrupting gold production.

**Labour Force**

The March production losses resulting from Coalbrook have tended to obscure the steadily improving native labour

(Continued on page 19)



# ANGLO AMERICAN CORPORATION OF SOUTH AFRICA, LIMITED

## GOLD MINING COMPANIES' DIRECTORS' ABRIDGED REPORTS FOR THE QUARTER ENDED 31st MARCH, 1960

(All Companies mentioned are incorporated in the Union of South Africa)

### NOTES

The development values in all these Companies' Reports represent actual results of sampling, no allowance having been made for adjustments which are necessary in estimating ore reserves. Copies of the complete quarterly reports of any company may be had on application to the London Secretaries, 40 Holborn Viaduct, E.C.1.

### BRAKPAN MINES, LIMITED

	Quarter ended 31st March, 1960	Quarter ended 31st December, 1959
<b>OPERATING RESULTS</b>		
Gold		
Tons milled	422,000	425,000
Ounces fine	51,122	51,705
Yield per ton—dwt.	2.42	2.43
Cost per ton milled	28s. 9d.	28s. 7d.
Profit per ton milled	1s. 7d.	1s. 10d.
Working Profit	£33,982	£38,465
<b>FINANCIAL</b>		
Taxation and State's share of profits—estimated	£3,151	£1,000
Capital recoupments	—	£1,133
<b>DEVELOPMENT</b>		
Footage driven	6,423	6,543
Feet sampled	4,355	4,650
Feet payable	955	1,160
Percentage payability	21.9	24.9
Average value—dwt. per ton	15.32	16.15
Width—inches	43.46	39.95
Equivalent inch-dwt.	666	645

**INVESTMENTS**  
In February, 1960, the Company subscribed for its full entitlement of £252,000 of six per cent registered unsecured notes in The South African Land & Exploration Company Limited, arising from its holding of 315,000 shares in that company at 31st December, 1959.

### EAST DAGGAFONTEIN MINES, LIMITED

	Quarter ended 31st March, 1960	Quarter ended 31st December, 1959
<b>OPERATING RESULTS</b>		
Gold		
Tons milled	311,000	307,500
Ounces fine	52,582	52,181
Yield per ton—dwt.	3.38	3.39
Cost per ton milled	34s. 9d.	34s. 11d.
Profit per ton milled	7s. 7d.	7s. 6d.
Working Profit	£118,341	£115,890
<b>FINANCIAL</b>		
Taxation—estimated	£49,171	£42,000
Capital Recoupments	—	£3,447
<b>DEVELOPMENT</b>		
Main Reef Leader		
Footage driven	1,472	1,471
Feet sampled	1,480	1,450
Feet payable	550	445
Percentage payability	37.2	30.7
Average value—dwt. per ton	16.69	15.41
Width—inches	19.85	19.85
Equivalent inch-dwt.	331	306
Kimberley Reef		
Footage driven	4,764	4,541
Feet sampled	3,210	2,880
Feet payable	640	580
Percentage payability	19.9	20.1
Average value—dwt. per ton	70.74	64.49
Width—inches	4.41	5.42
Equivalent inch-dwt.	312	350

### SPRINGS MINES, LIMITED

	Quarter ended 31st March, 1960	Quarter ended 31st December, 1959
<b>OPERATING RESULTS</b>		
Gold		
Tons milled	311,000	311,000
Ounces fine	43,173	42,802
Yield per ton—dwt.	2.78	2.75
Cost per ton milled	31s. 10d.	31s. 8d.
Profit per ton milled	2s. 11d.	2s. 9d.
Working Profit	£15,481	£42,484
<b>FINANCIAL</b>		
Taxation and State's share of profits—estimated	£11,477	Cr. £9,000
Capital recoupments	£1,926	£16,115
<b>DEVELOPMENT</b>		
Footage driven	4,792	3,737
Feet sampled	4,450	2,830
Feet payable	1,215	790
Percentage payability	27.3	27.9
Average value—dwt. per ton	19.83	15.90
Width—inches	20.09	19.62
Equivalent inch-dwt.	328	312

### FREE STATE GEDULD MINES, LIMITED

	Quarter ended 31st March, 1960	Quarter ended 31st December, 1959
<b>OPERATING RESULTS</b>		
Gold		
Tons milled	279,000	280,500
Ounces fine	240,643	238,576
Yield per ton—dwt.	17.25	17.01
Cost per ton milled	77s. 5d.	77s. 1d.
Profit per ton milled	138s. 8d.	135s. 9d.
Working Profit	£1,934,712	£1,904,249
<b>FINANCIAL</b>		
The estimated working profit for the six months ended 31st March, 1960, was £3,838,961.		
No taxation and no share of profit are as yet payable to the State.		
Capital Expenditure	£390,305	£277,676
<b>DEVELOPMENT</b>		
Footage driven	26,321	26,307
Feet sampled	2,505	2,355
Feet payable	2,300	2,235
Percentage payability	91.8	94.9
Average value—dwt. per ton	189.05	195.93
Width—inches	6.85	5.89
Equivalent inch-dwt.	1,295	1,154
<b>SHAFT SINKING</b>		
No. 1 Shaft Area		
Feet sampled	1,255	1,090
Feet payable	1,095	990
Percentage payability	87.3	90.8
Average value—dwt. per ton	111.01	118.67
Width—inches	8.08	7.07
Equivalent inch-dwt.	897	839
No. 2 Shaft Area		
Feet sampled	1,250	1,265
Feet payable	1,205	1,245
Percentage payability	96.4	98.4
Average value—dwt. per ton	289.69	283.84
Width—inches	5.72	4.95
Equivalent inch-dwt.	1,657	1,405

**GENERAL**  
All operations, including shaft sinking and development, were adversely affected during March by the temporary curtailment of power supplies.

### THE SOUTH AFRICAN LAND AND EXPLORATION COMPANY, LIMITED

	Quarter ended 31st March, 1960	Quarter ended 31st December, 1959
<b>OPERATING RESULTS</b>		
Gold		
Tons milled	283,500	281,500
Ounces fine	59,029	58,693
Yield per ton—dwt.	4.16	4.17
Cost per ton milled	43s. 3d.	41s. 4d.
Profit per ton milled	8s. 10d.	10s. 9d.
Working Profit	£125,233	£151,821
<b>FINANCIAL</b>		
Taxation and State's share of profits—estimated	—	Cr. £11,000
Capital expenditure	£148,882	£502,988
<b>DEVELOPMENT</b>		
Mining Lease Area		
Footage driven	11,913	7,278
Feet sampled	4,375	3,335
Feet payable	1,595	1,110
Percentage payability	36.5	33.3
Average value—dwt. per ton	13.21	13.55
Width—inches	30.79	26.66
Equivalent inch-dwt.	407	361
Outside Mining Lease Area (Withok No. 131 I.R.)		
Footage driven	4,350	5,012
Feet sampled	3,595	3,575
Feet payable	940	1,555
Percentage payability	30.5	43.5
Average value—dwt. per ton	17.37	18.77
Width—inches	23.93	23.03
Equivalent inch-dwt.	416	432

**No. 3A SHAFT**  
Preparatory work on the new 3A Shaft, including the sinking of 153 feet by outside contractors, was completed by the end of February, 1960. Shaft sinking crews took over on 2nd March, and during the remainder of the quarter the shaft was sunk 354 feet to a depth of 507 feet.



## PRESIDENT BRAND GOLD MINING COMPANY, LIMITED

	Quarter ended 31st March, 1960	Quarter ended 31st December, 1959
<b>OPERATING RESULTS</b>		
Gold		
Tons milled	340,000	347,000
Ounces fine	277,007	285,793
Yield per ton—dwt.	16.29	16.47
Cost per ton milled	62s. 1d.	60s. 5d.
Profit per ton milled	142s. 1d.	145s. 9d.
Uranium (Joint production scheme)		
Lb. apportioned	60,397	59,694
Yield per ton on lb. apportioned	0.251	0.246
<b>WORKING RESULTS</b>		
Gold—Working profit	£2,416,033	£2,529,027
Uranium (estimated)		
Treatment costs	£125,995	£128,997
Working profit	£141,660	£136,900
Total Working Profit	£2,557,693	£2,665,927
The estimated working profit for the six months ended 31st March, 1960, was £5,223,620.		

**FINANCIAL**  
Taxation and State's Share of Profit (estimated) ..... £1,093,200 £1,224,000  
Capital Expenditure—gold and uranium including contributions towards capital cost of President Steyn and Welkom uranium plants ..... £660,709 £534,096

<b>DEVELOPMENT</b>		
Footage driven	18,427	19,800
Feet sampled	2,145	2,315
Feet payable	1,955	1,990
Percentage payability	91.1	86.0
Average gold value—dwt. per ton	143.92	138.14
Average uranium oxide value—lb. per ton	2.47	2.44
Width—inches	7.10	7.02
Equivalent inch-dwt.	1,022	970
Equivalent inch-lb.	17.53	17.13

**SHAFT SINKING**  
No. 3 Ventilation Shaft  
Footage sunk in quarter was 440 feet, the depth to date being 4,601 feet.  
No. 3 Main Shaft  
Footage sunk in quarter was 558 feet, the depth to date being 4,804 feet.

**GENERAL**  
All operations, including shaft sinking and development, were adversely affected during March by the temporary curtailment of power supplies.

**REEF INTERSECTION**  
During the quarter under review the following information was published regarding the intersection of the basal reef in both the main and ventilation shafts of the No. 3 Shaft system:

**Main Shaft**  
The basal reef was intersected at a depth of 4,408 feet below the collar. The reef was faulted and only exposed over approximately 50 per cent of the perimeter of the shaft, the sampling of which gave an average value for gold of 21.49 dwt. and for uranium of 0.43 lb. per ton over a channel width of 14.61 inches, equivalent to 314 inch-dwt. and 6.20 inch-lb. respectively.

**Ventilation Shaft**  
The basal reef was intersected at a depth of 4,425 feet below the collar. The reef was completely exposed around the perimeter of the shaft and the average results of the sampling were as follows:—

An average value for gold of 59.23 dwt. and for uranium of 1.26 lb. per ton over a channel width of 6.23 inches, equivalent to 369 inch-dwt. and 7.84 inch-lb. respectively.

## WESTERN HOLDINGS LIMITED

	Quarter ended 31st March, 1960	Quarter ended 31st December, 1959
<b>OPERATING RESULTS</b>		
Gold		
Tons milled	439,000	414,000
Ounces fine	292,665	269,266
Yield per ton—dwt.	13.33	13.01
Cost per ton milled	55s. 8d.	57s. 9d.
Profit per ton milled	111s. 5d.	105s. 0d.
Working Profit	£2,444,848	£2,174,011
The estimated working profit for the six months ended 31st March, 1960, was £4,618,859.		

**FINANCIAL**  
Taxation and State's share of profits—estimated... £1,467,200 £1,124,000  
Capital expenditure ..... £188,306 £158,862  
Interest charges ..... £902

<b>DEVELOPMENT</b>		
Footage driven	25,698	28,641
Feet sampled	3,785	4,545
Feet payable	3,140	3,925
Percentage payability	83.0	86.4
Average value—dwt. per ton	98.58	135.77
Width—inches	9.41	7.70
Equivalent inch-dwt.	928	1,045
Included in the development details given above are the following results obtained in the No. 3 shaft area.		
Footage driven	10,836	11,465
Feet sampled	2,150	1,865
Feet payable	1,775	1,615
Percentage payability	82.6	86.6
Average value—inch-dwt.	857	1,010

**GENERAL**  
All operations, including development, were adversely affected during March by the temporary curtailment of power supplies.

**BOREHOLE RESULTS—Area South of Vaal River.**

The following results were obtained in borehole P.K. 9 on the farm Pretorius Kraal No. 53 in the district of Viljoenskroon, Orange Free State. The Vaal Reef was intersected at a depth of 6,254 feet, assaying 10 dwt. of gold per ton over a true width of 5 inches, equivalent to 50 inch-dwt. In the first deflection of this borehole the Vaal Reef was intersected at a depth of 6,255 feet assaying 4.4 dwt. of gold per ton over a true width of 5 inches, equivalent to 22 inch-dwt. In the second deflection the Vaal Reef was intersected at a depth of 6,256 feet assaying 3.9 dwt. of gold per ton over a true width of 6 inches, equivalent to 23 inch-dwts. Core recovery was complete in all three sections.

Two further boreholes P.K. 10 and P.K. 11 on the farm Pretorius Kraal No. 53 are to be sunk. P.K. 10 is being drilled about 1,000 feet south east of borehole P.K. 8. P.K. 11 will be drilled about 2,100 feet south of borehole P.K. 5.

## PRESIDENT STEYN GOLD MINING COMPANY, LIMITED

	Quarter ended 31st March, 1960	Quarter ended 31st December, 1959
<b>OPERATING RESULTS</b>		
Gold		
Tons milled	297,000	307,000
Ounces fine	115,830	121,670
Yield per ton—dwt.	7.80	7.93
Cost per ton milled	63s. 6d.	61s. 5d.
Profit per ton milled	34s. 3d.	37s. 8d.
Uranium (Joint Production Scheme)		
Lb. apportioned	71,689	70,919
Yield per ton on lb. apportioned	0.251	0.262

<b>WORKING RESULTS</b>		
Gold—Working profit	£508,334	£577,875
Uranium (estimated)		
Treatment costs	£145,234	£143,457
Working profit	£185,820	£179,950
Total Working Profit	£694,154	£757,825
The estimated total working profit for the six months ended 31st March, 1960, was £1,451,979.		

**FINANCIAL**  
No taxation and no share of profit are as yet payable to the State.  
Capital expenditure: gold and uranium including contributions towards capital cost of Welkom Gold Mining Company uranium plant less recoupments ..... £610,539 £386,275  
Interest charges (excluding interest on uranium loans) ..... £37,859 £38,197  
Uranium loan instalment (including interest) ..... £122,887 £122,887

<b>DEVELOPMENT</b>		
Total footage driven	15,694	16,766

<b>Basal Reef</b>		
Feet Sampled	3,510	3,720
Feet Payable (Gold)	3,145	3,320
Percentage Payability (Gold)	89.6	89.2
Average gold value—dwt. per ton	25.83	28.56
Average uranium oxide value—lb. per ton	0.87	1.21
Width—inches	17.32	14.54
Equivalent inch-dwt.	447	415
Equivalent inch-lb.	15.05	17.58

<b>Leader Reef</b>		
Feet Sampled	140	380
Feet Payable (Gold)	15	10
Percentage Payability (Gold)	10.7	2.6
Average gold value—dwt. per ton	4.18	4.44
Average uranium oxide value—lb. per ton	0.54	0.57
Width—inches	59.67	52.50
Equivalent inch-dwt.	249	233
Equivalent inch-lb.	32.04	29.98

**SHAFT SINKING**  
No. 3 Main Shaft  
Footage sunk in quarter was 1,760 feet, the depth to date being 3,554 feet.

No. 3 Ventilation Shaft  
Footage sunk in quarter was 2,213 feet, the depth to date being 2,530 feet.

**GENERAL**  
All operations, including shaft sinking and development, were adversely affected during March by the temporary curtailment of power supplies.

## WELKOM GOLD MINING COMPANY, LIMITED

	Quarter ended 31st March, 1960	Quarter ended 31st December, 1959
<b>OPERATING RESULTS</b>		
Gold		
Tons milled	286,000	291,000
Ounces fine	89,849	92,130
Yield per ton—dwt.	6.28	6.33
Cost per ton milled	65s. 4d.	63s. 6d.
Profit per ton milled	13s. 5d.	15s. 9d.
Uranium (Joint Production Scheme)		
Lb. apportioned	66,925	66,148
Yield per ton on lb. apportioned	0.278	0.278
Gold—Working profit	£192,170	£229,462
Uranium (estimated)		
Treatment costs	£125,142	£126,287
Working profit	£176,850	£171,120
Total Working Profit	£369,020	£400,582
The estimated working profit for the six months ended 31st March, 1960, was £769,602.		

**FINANCIAL**  
Capital Expenditure—gold and uranium, including contribution towards capital cost of President Steyn uranium plant, less recoupments ..... £64,249 £54,227  
Taxation—No taxation and no share of profits are as yet payable to the State.  
Interest charges (excluding interest on Uranium Loans) ..... £44,888 £45,182  
Loan repayments—5 per cent debentures ..... £52,125 £55,500  
Uranium loan repayments (including interest) ..... £127,645 £127,645

<b>DEVELOPMENT</b>		
Footage driven	18,952	22,803
Feet sampled	3,600	3,640
Feet payable (gold)	3,040	3,020
Percentage payability (gold)	84.4	83.0
Average gold value—dwt. per ton	73.55	87.09
Average uranium oxide value—lb. per ton	3.06	3.56
Width—inches	5.90	5.39
Equivalent inch-dwt.	434	469
Equivalent inch-lb.	18.06	19.18

**SHAFT SINKING**  
No. 2 Shaft  
Footage sunk in quarter was 74 feet, the depth to date being 4,477 feet.

**GENERAL**  
All operations, including shaft sinking and development, were adversely affected during March by the temporary curtailment of power supplies.

## WESTERN REEFS EXPLORATION AND DEVELOPMENT COMPANY, LIMITED

	Quarter ended 31st March, 1960	Quarter ended 31st December, 1959
<b>OPERATING RESULTS</b>		
Gold		
Tons milled	400,500	413,500
Ounces fine	112,472	111,981
Yield per ton—dwt.	5.62	5.42
Cost per ton milled	52s. 3d.	50s. 2d.
Profit per ton milled	18s. 2d.	17s. 7d.
Uranium		
Uranium oxide produced—lb.	161,288	165,942
Yield per ton treated—lb.	0.334	0.374
<b>WORKING RESULTS</b>		
Gold—Working Profit	£364,505	£364,045
Uranium (estimated)		
Treatment costs	£284,171	£286,117
Working profit	£440,988	£438,994
Sulphuric acid		
Working profit	£47,170	£49,476
Total Working Profit	£852,663	£852,515
<b>FINANCIAL</b>		
Taxation and State's share of profits—estimated	£398,994	£412,000
Uranium loan repayments (including interest)	£169,182	£169,182
Capital expenditure	£114,092	£54,186
<b>DEVELOPMENT</b>		
Mining Lease Area (including Goedgenoeg area over which the Minister of Mines has agreed to grant a lease).		
(a) Ventersdorp Contact and Elsburg Reefs:		
Footage driven	3,231	3,674
Feet sampled	2,315	2,465
Feet payable	895	1,470
Percentage payability	38.7	59.6
Average gold value—dwt. per ton	15.42	9.81
Average uranium oxide value—lb. per ton	0.38	0.26
Width—inches	42.33	51.26
Equivalent inch-dwt.	653	503
Equivalent inch-lb.	15.95	28.63
(b) Vaal Reef:		
Footage driven	10,581	13,184
Feet sampled	3,835	5,245
Feet payable	2,715	4,050
Percentage payability	70.8	77.2
Average gold value—dwt. per ton	52.91	77.43
Average uranium oxide value—lb. per ton	3.31	4.39
Width—inches	10.83	10.48
Equivalent inch-dwt.	573	811
Equivalent inch-lb.	35.89	46.00
Outside Mining Lease Area (Results of development on Ventersdorp Contact and Elsburg Reefs on the Farm Nootgedacht No. 434).		
Footage driven	12,602	12,167
Feet sampled	4,575	4,290
Feet payable	2,760	2,125
Percentage payability	60.3	49.5
Average gold value—dwt. per ton	15.36	11.79
Average uranium oxide value—lb. per ton	0.38	0.31
Width—inches	47.64	51.03
Equivalent inch-dwt.	732	602
Equivalent inch-lb.	18.10	15.92

**GENERAL**  
During the quarter, mining and milling operations were adversely affected by the cut in power supplies.

## DAGGAFONTEIN MINES, LIMITED

	Quarter ended 31st March, 1960	Quarter ended 31st December, 1959
<b>OPERATING RESULTS</b>		
Gold		
Tons milled	693,000	687,000
Ounces fine	139,458	138,647
Yield per ton—dwt.	4.02	4.04
Cost per ton milled	30s. 8d.	31s. 0d.
Profit per ton milled	19s. 9d.	19s. 6d.
Uranium		
Uranium oxide produced—lb.	144,010	158,477
Yield per ton treated—lb.	0.352	0.361
<b>WORKING RESULTS</b>		
Gold—Working Profit	£684,009	£670,664
Uranium (Estimated)		
Treatment costs	£232,316	£222,968
Working profit	£371,507	£373,940
Sulphuric Acid		
Working profit	£47,083	£47,816
Total Working Profit	£1,102,599	£1,092,420
<b>FINANCIAL</b>		
Taxation and State's Share of profit—estimated	£610,276	£608,000
Uranium Loan Repayments (including interest)	£140,776	£140,775
Capital expenditure	£4,651	£4,366
<b>DEVELOPMENT</b>		
Main Reef Learer		
Footage driven	4,322	4,085
Feet sampled	3,915	3,555
Feet payable	1,615	1,625
Percentage payability	41.3	45.7
Average gold value—dwt. per ton	17.88	19.43
Width—inches	14.29	16.41
Equivalent inch-dwt.	256	319
Kimberley Reef		
Footage driven	3,008	3,252
Feet sampled	2,715	2,925
Feet payable	1,115	860
Percentage payability	41.1	29.4
Average gold value—dwt. per ton	10.47	8.79
Average uranium oxide value—lb. per ton	0.41	0.47
Width—inches	36.44	37.64
Equivalent inch-dwt.	382	331
Equivalent inch-lb.	14.82	17.78

London Office, 40, Holborn Viaduct, E.C.1.  
13th April, 1960.

## WESTERN DEEP LEVELS LIMITED

	Quarter ended 31st March, 1960	Quarter ended 31st December, 1959
<b>DEVELOPMENT</b> (at present being carried out by West Driefontein Gold Mining Company, Limited, on behalf of this company)		
Ventersdorp Contact Reef		
Footage driven	372	639
Feet sampled	225	312
Feet payable	50	20
Percentage payability	22.2	6.4
Average value—dwt. per ton	33.95	57.67
Width—inches	14.70	6.00
Equivalent inch-dwt.	499	346
<b>SHAFT SINKING</b>		
No. 2 Shaft System		
Main shaft—footage sunk	527	809
Main shaft—footage in stations, pump chambers, etc.	217	236
Ventilation Shaft—footage sunk	663	658
Ventilation Shaft—footage in stations, pump chambers, etc.	360	153
No. 3 Shaft System		
Main shaft—footage sunk	214	423
Main shaft—footage in stations, pump chambers, etc.	336	784
Ventilation Shaft—footage sunk	193	306
Ventilation Shaft—footage in stations, pump chambers, etc.	570	1,329
Shaft depths at 31st March, 1960		
	feet	feet
No. 2 Shaft System		
Main shaft	5,730	3,018
Ventilation shaft	5,433	2,714
No. 3 Shaft System		
Main shaft	6,354	3,536
Ventilation shaft	6,324	4,429

During the quarter, the Ventersdorp Contact Reef was intersected in the No. 2 Main Vertical Shaft at a depth of 5,599 feet below the collar. The reef was exposed over a distance of 80 feet around the perimeter of the shaft dipping 28 in a south-easterly direction. In the remaining 10 feet, the reef was incompletely exposed due to faulting.

Sampling at 5 feet intervals of the reef fully exposed gave an average value of 7.59 dwt. per ton over a channel width of 41.50 inches, equivalent to 315 inch-dwt. The No. 3 Main Vertical Shaft was sunk to its final depth of 6,354 feet below the collar. The No. 3 Ventilation Shaft was stopped at a depth of 6,324 feet in order that development work might be carried out whilst the main shaft is being equipped.

At the No. 3 Shaft system, 651 feet of development was accomplished, all of which was off reef.

**CAPITAL EXPENDITURE**  
Expenditure on fixed assets, during the quarter amounted to £792,154, bringing the total capital expenditure to 31st March, 1960, to £10,473,296.

## VAALE REEFS EXPLORATION AND MINING COMPANY, LIMITED

	Quarter ended 31st March, 1960	Quarter ended 31st December, 1959
<b>OPERATING RESULTS</b>		
Gold		
Tons milled	278,000	290,000
Ounces fine	125,100	130,501
Yield per ton—dwt.	9.00	9.00
Cost per ton milled	66s. 1d.	64s. 0d.
Profit per ton milled	46s. 7d.	48s. 0d.
Uranium		
Uranium oxide produced—lb.	133,934	141,128
Yield per ton treated—lb.	0.657	0.718
<b>WORKING RESULTS</b>		
Gold—Working Profit	£647,503	£695,400
Uranium (estimated)		
Treatment costs	£131,656	£123,025
Working profit	£431,866	£435,992
Total Working Profit	£1,079,369	£1,131,392
<b>FINANCIAL</b>		
No taxation and no share of profits are as yet payable to the State.		
Capital expenditure	£437,520	£589,972
Uranium Loan Repayments (including interest)	£70,158	£70,158
<b>DEVELOPMENT</b>		
Footage driven	23,102	25,153
Feet sampled	8,755	7,185
Feet Payable	6,920	5,705
Percentage Payability	79.0	79.4
Average gold value—dwt. per ton	67.24	70.81
Average Uranium oxide value—lb. per ton	4.08	4.76
Width—inches	9.83	7.64
Equivalent inch-dwt.	661	541
Equivalent inch-lb.	40.15	36.39
<b>SHAFT SINKING</b>		
No. 2 Main Shaft		
Footage sunk in quarter was 1,276 feet, shaft depth being 5,756 feet at end of quarter.		
No. 2 Ventilation Shaft		
Footage sunk in quarter was 1,939 feet, shaft depth being 3,833 feet at end of quarter.		
<b>REEF INTERSECTION</b>		
In January, 1960, the Vaal Reef was intersected in the No. 2 Main Vertical Shaft at a depth of 4,880 feet below the collar. The reef was completely exposed around the perimeter of the shaft and on sampling gave an average value for gold of 36.69 dwt. and for uranium of 1.90 lb. per ton over a channel width of 22.33 inches, equivalent to 819 inch-dwt. and 42.41 inch-lb. respectively.		
<b>GENERAL</b>		
During the quarter, mining, milling and shaft sinking operations were adversely affected by the cut in power supplies.		

For and on behalf of  
ANGLO AMERICAN CORPORATION OF SOUTH AFRICA, LIMITED.  
R. V. PRITCHARD, Joint London Secretary.

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figures which have been substantially and consistently better than a year ago. So far this year the labour force has averaged around 10,000 more each month and the total for March had already exceeded last May's all-time record of 385,060. It should of course be remembered that an increase in the total labour force does not necessarily represent a corresponding increase in availability to the individual mine.

Thus the opening up of Western Areas, Leslie and Bracken, which so far may only have absorbed 1000-2000 Africans, could well between them in the course of the next three years require a further 15,000. At the same time, expansion programmes at other mines resulting from mill extensions, new shaft sinkings, etc. have made, and will continue to make, additional demands on the labour force. Against this we shall inevitably over this same three year period see a number of mine closures including probably the remainder of Robinson Deep, together with Government G.M.A., Modder East and Van Dyk, while there will also be a running down in the scale of activity in other mines such as Crown and Simmer and Jack.

Together, closures and scaling down in activity should release a minimum of 20,000 over this period, without taking any account of the termination of the Combined Agency uranium contracts which must also result in some reduction in output at mines where ore is mined solely for uranium, as for example at Randfontein and West Rand Consolidated. Randfontein, which is the highest cost uranium producer in the industry, and will be particularly vulnerable at this point, also happens to be a heavy employer of African labour (about 19,000).

Thus even if recruitment improves no further in the years ahead (and the steady growth of the African population suggests that it will), we may be moving into a period of greater availability in relation to the requirement of the individual mine as well as of greater total employment.

It should also be stressed that we have been discussing African labour availability without regard to recruitment of European personnel, either for direct supervisory tasks or for maintenance and other ancillary duties. Latterly, the shortages here have tended to be qualitative rather than quantitative, although any substantial revival in secondary industry might again set a ceiling to the maximum number of Africans, who can be usefully employed.

#### Uranium Contracts

During the past quarter some exploratory negotiations have taken place between the Combined Agency and the Chamber of Mines with regard to the possibility of some stretchout of existing South African contracts being negotiated as they were with Canadian producers during the winter. It is, however, hardly surprising that nothing seems as yet to have come of these negotiations. Unlike Canadian producers, who were at something of a disadvantage in their stretchout negotiations, producers in South Africa appear to hold watertight agreements and there would have to be a fairly unanimous desire for stretchout agreements on the part of the South African producers for them to have much chance of success. In practice, although such agreements must remain a possibility, interests are mixed on this issue.

The newer producers, who are still spending capital on development, have no wish for any stretchout. They have always wanted to earn as much from uranium as quickly as possible, and have in effect generally tended to regard profits from uranium (as indeed we have always urged that investors should do) as a short term windfall to be used for ploughing back into capital expenditure and thereby limiting the amount of their eventual issued capital and/or reducing their loan capital commitments.

The older mines, on the other hand, have regarded uranium earnings as an important sweetener to their profits and would be quite happy to see this item tail off gradually rather than come to a sudden halt somewhere in the mid-sixties.

#### The Gold Price

It is early days yet to assess the repercussions of recent South African events on the continuing gold price debate. If there is no change in the Union's racial policies, those in the United States who argue against an increase would undoubtedly have an additional, if largely emotional, argument. If, however, South African policies show a genuine change of heart, it would be difficult for the western countries to do anything to discourage a policy of African advancement, which could help to bring stability to the whole of the sub-Continent. Such a prospect might well be an added argument for a higher gold price rise as the simplest means of enabling the Union to finance such a programme.

To whichever side of the scales the South African situation adds weight, however, the issue of the gold price remains fundamentally dependent on the internal American situation. Here the immediately important factor is that the drain on the U.S. gold stock has for the moment dwindled to insignificant proportions. During the early months of this year, the loss averaged a mere \$16,000,000 per month against an average during 1959 of a little under \$100,000,000 per month and in 1958 of

around \$200,000,000 a month. This fact alone should ensure that the gold price will not in any case become a live issue in Washington this side of the election. Thereafter the picture could change if the Democrats were to find themselves in the White House and if the more pessimistic forecasts now being made for the trend of consumer spending and industrial investment in the coming months were to be realised.

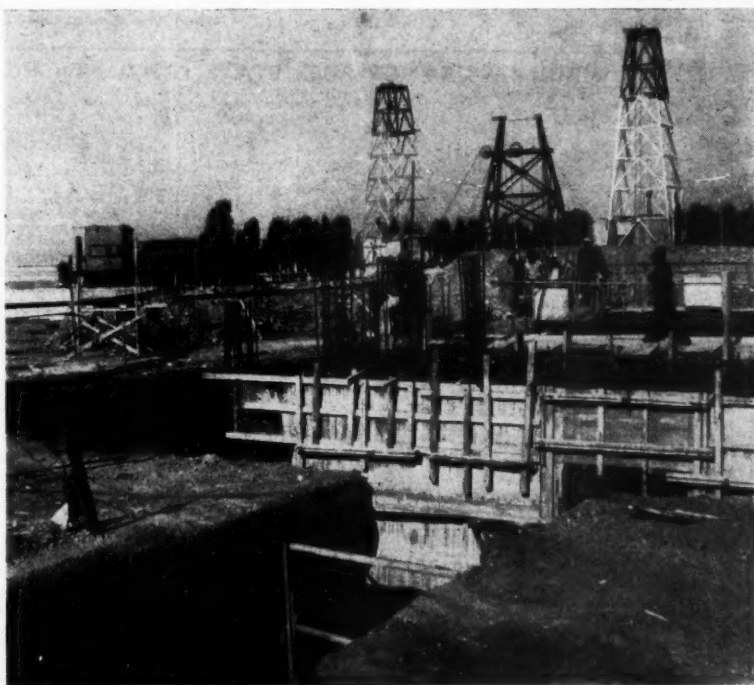
#### South African Budget

The South African budget was notable in general terms for being mildly inflationary and thus recognizing the continued failure of secondary industry to get back into high gear.

With the continuation of the ban on capital exports, the Union's balance of payments position had, up to the budget, been steadily improving to the point where it stood at £151,600,000 at the end of last February. However, this was the situation before Sharpeville and between the end of February and mid-April this figure had declined by at least £15,000,000. It thus remains to be seen what will be the impact over the next few months both on the level of industrial activity and on the balance of payments position. Until these repercussions can be assessed, the market may as well forget whatever hopes it had either of a lifting of the ban on capital exports or of any easement of the rate of tax on gold mining by virtue of the rapidly expanding contribution which the industry is now making to the exchequer.

The only other matter of fiscal interest relates back to the 1959 budget in which concessions to ultra deep mines were announced. Initially, the ultra deep status was conferred only on Western Deep Levels and E.R.P.M. Now, however, there are signs that the definition is being interpreted more liberally and Crown Mines, Durban Deep and apparently also Robinson Deep

(Continued on page 22)



Pouring of the foundations of the main shaft at Western Areas Gold Mining



# ANGLO-TRANSVAAL CONSOLIDATED INVESTMENT CO. LIMITED

(Incorporated in the Union of South Africa)

Operating Statistics and Vital Information extracted from the Directors' Reports for Mining Companies associated with the Group for the quarter ended 31st March, 1960, and comparative figures for previous quarter.

(All Companies mentioned are incorporated in the Union of South Africa)

## HARTEBEESTFONTEIN GOLD MINING COMPANY, LIMITED.

		Quarter ended 31st March, 1960		Quarter ended 31st Dec., 1959	
<b>PRODUCTION</b>					
Gold :	Tons milled		300,000		307,000
	Yield—ounces fine		141,250		151,460
	—dwt. per ton milled		9.417		9.867
Uranium :	Tons treated :				
	From current slimes		300,000		307,000
	From surface accumulations		57,000		36,000
	Total		357,000		343,000
	Yield—lb. of uranium oxide		247,711		250,681
	—lb. per ton treated		0.694		0.731
	Uranium oxide sold—lb.		260,816		260,795
<b>FINANCIAL INFORMATION</b>					
Gold :			Per ton milled		Per ton milled
	Revenue	£1,769,832	118s. 0d.	£1,895,684	123s. 6d.
	Working costs	1,015,000	67s. 8d.	990,000	64s. 6d.
	Working profit	£754,832	50s. 4d.	£905,684	59s. 0d.
	Sundry mining revenue	35,000	2s. 4d.	26,000	1s. 8d.
	Total working profit from gold..	£789,832	52s. 8d.	£931,684	60s. 8d.
Uranium :			Per lb. sold		Per lb. sold
	Revenue	£1,005,115	77s. 1d.	£1,010,694	77s. 6d.
	Treatment costs	222,115	17s. 0d.	234,694	18s. 0d.
	Estimated profit from uranium oxide	£783,000	60s. 1d.	£776,000	59s. 6d.
	Total Working Profit for Quarter ..	£1,572,832		£1,707,684	
	Working costs (gold only) per ounce fine		143s. 9d.		130s. 9d.
	Development expenditure per ton milled included in working costs		11s. 6d.		10s. 6d.
<b>NOTES :</b>					
(1) All information relating to uranium production is provisional and subject to adjustment.					
(2) Losses in gold production sustained due to power cuts imposed by the Electricity Supply Commission during the period 14th to 18th March, 1960, were estimated as follows:					
	Loss of gold production (ounces)		4,700		
	Loss of profits		£55,172		
The following amounts have not been taken into consideration in calculating the working profit shown above :					
(a) Loans obtained for gold production					
	—Interest		£14,845		£14,775
	—Loan repayment		£1,621		£230

(b) Loans obtained for uranium production:			
—Interest	£20,869		£21,513
—Loan repayment	£66,057		£65,412
<b>CAPITAL EXPENDITURE</b>			
Gold production (including £176,713 on capital and excess development)	£762,069		£515,017
Uranium plant	13,375		51,342
<b>Total</b>	<b>£775,444</b>		<b>£566,359</b>

Estimated taxation and Government's share of profits for the nine months ended 31st March 1960

<b>DEVELOPMENT</b>			
Footage advanced	32,757		31,476
Sampling results of development on Vaal Reef:			
No. 1 Shaft Area			
Footage sampled	3,420	Payable	Total
		2,870	3,220
		(83.9%)	(89.4%)
Channel width (inches)	21.3	16.1	16.9
Inch-dwt. (gold)	324	339	366
Inch-lb. (uranium oxide)	27.94	30.37	32.05
No. 2A and No. 3 Shaft Area			
Footage sampled	7,490	6,300	5,935
		(84.1%)	(86.7%)
Channel width (inches)	10.8	11.0	7.0
Inch-dwt. (gold)	374	427	343
Inch-lb. (uranium oxide)	24.58	26.97	25.12
Total Mine			
Footage sampled	10,910	9,170	9,155
		(84.1%)	(87.7%)
Channel width (inches)	14.1	14.6	10.2
Inch-dwt. (gold)	358	407	341
Inch-lb. (uranium oxide)	25.63	28.03	26.87

(The above results are based on actual sampling. No allowance has been made for adjustments necessary in the valuation of the corresponding Ore Reserve.)

### SHAFT SINKING AND EQUIPPING

#### No. 4 Vertical Shaft

Installation of a 200 h.p. service hoist has been completed. Work is in progress on foundations and winder houses for two 5,145 h.p. winders, a 2,300 h.p. winder and a 200 h.p. stage hoist.

Foundations for a sinking fan have been completed; the ducting and fan are being erected.

Electric power, compressed air and water supplies have been provided. Erection of ancillary shaft buildings is nearing completion. Work on No. 4 Shaft Compound is in progress.

### GENERAL

#### Uranium Plant

The first stage of converting the existing leach plant to a high temperature ferric leach plant has been completed.

#### Surface Boreholes

Borehole H.B. 25 has reached a depth of 7,463 feet. At a depth of 7,337 feet the borehole passed through the Gold Estates beds and, due to faulting, entered the footwall beds of the Vaal Reef. Deflections are being drilled.

## VIRGINIA ORANGE FREE STATE GOLD MINING COMPANY, LIMITED.

		Quarter ended 31st March, 1960		Quarter ended 31st Dec., 1959	
<b>PRODUCTION</b>					
Gold:	Tons milled .....	387,000		400,000	
	Yield—ounces fine .....	87,042		90,967	
	—dwt. per ton milled .....	4.498		4.548	
Uranium:	Tons treated .....	387,000		400,000	
	Yield—lb. of uranium oxide .....	162,699		172,582	
	—lb. per ton treated .....	0.487		0.431	
	Uranium oxide sold—lb. ....	162,440		162,440	
<b>FINANCIAL INFORMATION</b>					
		Per ton milled		Per ton milled	
Gold:		56s.		56s.	
Revenue	£1,091,812	5s.	5d.	£1,138,403	5s. 11d.
Working costs	1,076,943	55s.	8d.	1,103,300	55s. 2d.
Working profit	£14,869	9d.		£35,103	1s. 9d.
Sundry mining revenue	12,000	8d.		25,298	1s. 3d.
Total Working Profit from Gold...	£26,869	1s.	5d.	£60,401	3s. 0d.
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Uranium oxide :		Per lb. sold		Per lb. sold	
Revenue	£648,306	79s.	10d.	£683,696	84s. 2d.
Treatment costs	207,306	25s.	6d.	242,696	29s. 10d.
Estimated profit from uranium oxide	£441,000	54s.	4d.	£441,000	54s. 4d.
Estimated profit from acid	£89,970			£93,168	
Total Working Profit for Quarter...	£557,839			£594,569	
<hr/>					
Working costs (gold only) per ounce fine	247s.	4d.		242s.	7d.
Development expenditure per ton milled included in working costs		5s.	9d.		10s. 4d.

NOTE: (i) All information relating to uranium production is provisional and subject to adjustment.

(ii) Losses in gold production sustained due to power cuts imposed by the Electricity Supply Commission during the period 14th to 18th March, 1960, were estimated as follows :			
Loss of gold production (ounces)	2,225		
Loss of profits	£26,292		
The following amounts have not been taken into consideration in calculating the working profits shown above :			
(a) Debenture and Loan Stocks, Housing and other loans—Interest			
	£53,763		£55,900
(b) Loans obtained for Acid and Uranium production—Interest			
	£44,117		£45,830
—Loan Repayment			
	£175,602		£173,889
<b>CAPITAL EXPENDITURE</b>			
Gold Production	£54,824		£24,716
Uranium and Acid Plants	846		13,820
<b>Total</b>	<b>£55,670</b>		<b>£38,536</b>

Taxation and Government's share of profits for the quarter ended 31st March, 1960

DEVELOPMENT

Footage advanced

This includes 5,519 feet of development advanced in the Merriespruit property in terms of the agreement entered into with Merriespruit (Orange Free State) Gold Mining Company Limited.

Sampling results of development on Basal and Leader Reefs :

	Total	Payable	Total	Payable
Footage sampled	6,510	1,910	8,315	2,380
		(29.3%)		(28.6%)
Channel width (inches)	24.4	29.4	32.5	32.5
Inch-dwt. (gold)	135	304	138	270
Inch-lb. (uranium oxide)	11.60	24.21	12.38	20.64

(The above results are based on actual sampling. No allowance has been made for adjustments necessary in the valuation of the corresponding Ore Reserve.)

## LORAINÉ GOLD MINES, LIMITED.

		Quarter ended		Quarter ended	
		31st March, 1960		31st Dec., 1959	
<b>PRODUCTION</b>					
Gold:	Tons milled .....	218,000		239,500	
	Yield—ounces fine .....	45,951		48,488	
	—dwt. per ton milled .....	4.216		4.049	
<b>Uranium : (Joint Production Scheme)</b>					
	Tonnage apportioned .....	204,310		198,016	
	Pounds apportioned .....	44,666		45,643	
	Yield per ton on lb. apportioned .....	0.219		0.231	
	Uranium Oxide sold—lb. ....	44,594		44,594	
<b>FINANCIAL INFORMATION</b>					
Gold:	Pet ton			Pet ton	
	milled			milled	
Revenue	£575,942	52s. 10d.	£606,701	50s. 8d.	
Working costs	652,125	59s. 10d.	£664,461	55s. 6d.	
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Working loss	£76,183	7s. 0d.	£57,760	4s. 10d.	
Sundry mining revenue	2,500	3d.	2,200	2d.	
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Net working loss from gold	£73,683	6s. 9d.	£55,560	4s. 8d.	

		Per lb.			Per lb.	
		sold			sold	
Uranium oxide : Revenue .....	£208,965	93s.	9d.	£216,376	97s.	1d.
Treatment costs .....	102,965	46s.	2d.	107,376	48s.	2d.
Estimated profit from uranium oxide .....						
	£106,000	47s.	7d.	£109,000	48s.	11d.
Total Working Profit for Quarter ..	£32,317			£53,440		

Working costs (gold only) per ounce fine . . . . .	283s. 10d.	274s. 1d.
Development expenditure per ton milled included in working costs . . . . .	5s. 5d.	5s. 9d.

		47s. 7d.		48s. 11d.	
<b>Estimated profit from uranium oxide</b>					
		£106,000		£109,000	

(ii) Losses in gold production sustained due to power cuts imposed by the Electricity Supply Commission during the period 14th					
--	--	--	--	--	--

to 18th March, 1960, were estimated as follows:—		
Loss of gold production (ounces)	1,913	
Loss of profits	£23,380	

		5s. 5d.		5s. 9d.	
<b>Development expenditure per ton milled included in working costs</b>					
<p>The following amount has not been taken into consideration in calculating the working profit shown above—</p> <p>(a) Development Expenditure Not</p>					

6% Registered Unsecured Notes—		
Interest .....	£8,199	£8,199
<b>CAPITAL EXPENDITURE</b>		
Gold production (including £152,193 in respect		

of underground development) .....	£546,594	£481,904
Uranium oxide production :		
Contribution towards capital cost of the joint uranium plants .....	37,854	37,134

Total .....	<u>£584,448</u>	<u>£519,038</u>
Taxation and Government's share of profits for		

taxation and Government's share of profits for the half year ended 31st March, 1960.....	Nil	
<b>DEVELOPMENT</b>		
Footage advanced .....	15,967	15,517

The 52nd level haulage and its companion advanced 3,345 feet and 3,546 feet, respectively during the quarter. At the end of the quarter the distance remaining to hole to No. 3 Shaft

was approximately 2,300 feet.					
Sampling results obtained:—					
Basal Reef	Total	Payable	Total	Payable	
Footage sampled	965	165	655	185	

		(17.1%)		(28.2%)
Channel width (inches) . . . . .	4.9	3.7	6.0	6.9
Inch-dwt. (gold) . . . . .	100	158	98	174
Inch-lb. (uranium oxide) . . . . .	0.31	0.48	12.00	18.00

inertio. (drainum Oxide) .....	9.51	9.48	12.00	18.04
"B" Reef .....				
Footage sampled .....	1,250	155	710	175
		(12.4%)		(24.6%)
Channel width (feet) .....	16.4	1.9	21.0	

Channel width (inches) .....	16.4	14.9	24.0	25.0
Inch-dwt. (gold) .....	93	311	119	288
Inch-lb. (uranium oxide) .....	6.90	11.23	7.61	8.24
<b>Elsburg Reefs</b>				

Footage sampled .....	2,345	1,410	1,505	1,290
		(60.1%)		(85.7%)
Channel width (inches) .....	38.4	39.5	30.7	29.9
Inch-dwt. (gold) .....	315	469	605	690

Inch-lb. (uranium oxide) .....	16.43	21.40	18.08	19.69
<b>Total—All Reefs</b>				
Footage sampled .....	4,560	1,730	2,870	1,650
		(37.9%)		(57.5%)

Channel width (inches) .....	25.3	33.9	23.4	26.8
Inch-dwt. (gold) .....	208	425	369	590
Inch-lb. (uranium oxide) .....	12.31	19.35	14.10	18.29

(The above results are based on actual sampling. No allowance has been made for adjustments necessary in the valuation of the corresponding Ore Reserve.)

SHAFT SINKING AND EQUIPPING			
No. 3 Shaft :		feet	feet

Footage sunk .....	273	604
Depth below collar .....	5,730	5,457
Concrete lining accomplished .....	300	600
Depth of concrete lining below collar .....	5,715	5,415

		15,967		15,517	
<p>The "A" reef horizon was intersected at 5,496 feet below the collar and averaged 3.36 dwt. of gold and 0.182 lb. of uranium oxide per ton over a channel width of 115 inches, equivalent to 386 inch-dwt and 20.97 inch-lbs., respectively.</p> <p>The "B" Reef was intersected at a depth of 5,744 feet below the collar and</p>					

The reef was intersected at a depth of 5,744 feet below the collar and a full exposure of the reef over the periphery of the shaft was completed at a depth of 5,752 feet. The reef, which was faulted and dips 11° to the west, was sampled at 5 feet intervals around the periphery of the shaft and 18 sections sampled gave an

average value of 0.75 dwt. of gold per ton and 0.057 lb. of uranium oxide per ton over a channel width of 67 inches equivalent to 50 inch-dwt. and 3.80 inch-lb., respectively. The "B" Reef is being mined in the original Loraine lease area.

A total of 299,124 cubic feet was excavated in the cutting of 56 level station

at a depth of 5,535 feet below the collar, a pump chamber at 5,619 feet below the collar and loading bins and a spillage ore-pass below the 56th level.

Work on the equipping of the intermediate pump station at 2,790 feet below the collar is proceeding.

		15,967		15,517	
<b>Channel width (inches)</b>					

		15,967		15,517	
<b>Inch-dwt. (gold)</b>					

		15,967		15,517	
<b>Inch-lb. (uranium oxide)</b>					

		15,967		15,517	
<b>"B" Reef</b>					

## MERRIESPRUIT (ORANGE FREE STATE) GOLD MINING COMPANY, LIMITED.

		Quarter ended	Quarter ended
		31st March, 1960	31st Dec., 1959
<b>FINANCIAL INFORMATION</b>			
Capital Expenditure (including £5,142 interest		£142,207	£92,544

on uranium loans	£142,207	£93,548
The moratorium period in respect of loans obtained for uranium production has now expired and quarterly repayments of £22,847 have been resumed as from the quarter ended 31st March, 1960.		

<b>DEVELOPMENT</b>		
Footage advanced .....	5,519	3,855
The above footage was driven by the Virginia mine in the Merriespruit property.		
The 28th level haulage and its companion advanced to 7,988 feet and 8,000 feet.		

Sampling results of development on Basal Reef :				
	Total	Payable	Total	Payable
Footage sampled	790	245	865	545

Footage sampled	790	243	605
		(31.0%)	(63.0%)
Channel width (inches)	19.7	29.3	38.6
Inch-dwt. (gold)	152	280	243
	2.2	1.3	1.4

Inch-lb. (uranium oxide) .....	8.36	13.23	15.20	17.41
(The above results are based on actual sampling. No allowance has been made for adjustments necessary in the valuation of the corresponding Ore Reserve.)				
<b>GENERAL</b>				

During the quarter the water level in No. 2 Shaft fell by 57 feet to 1,437 feet below the collar.

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**NEW KLERKSDORF GOLD ESTATES, LIMITED**

NEW KLERKSDORF GOLD ESTATES, LIMITED			
FINANCIAL INFORMATION	Quarter ended	Quarter ended	
	31st March, 1960	31st Dec., 1959	
	Per ton	Per ton	

		Per ton milled		Per ton milled
Net loss from gold production . . .	£17,463	10s. 11d.	£17,131	11s. 3d.
Estimated profit from uranium oxide	23,000		23,000	

production (subject to adjustment)	52,000	53,000
<b>Total Working Profit for Quarter..</b>	<b>£14,537</b>	<b>£15,869</b>

The following amounts have not been taken into consideration in calculating the working profit shown above :—

Loans obtained for uranium oxide production :

Interest .....	£401	£419
Loan repayment .....	£1,851	£1,833
Estimated taxation for the quarter ended 31st March, 1960	£600	

		5,519		3,855	
<b>GENERAL</b>					
<b>PNEUMOCONIOSIS</b>					
During January, 1960, £10,000 was paid in reduction of the company's total retrospective liability of £20,456 for pneumoconiosis compensation.					

## RAND LEASES (VOGELSTRUISFONTEIN) GOLD MINING COMPANY, LIMITED

		Quarter ended 31st March, 1960	Quarter ended 31st Dec., 1959
<b>PRODUCTION</b>			
Tons milled .....		531,500	548,000
		92,701	92,000

Yield—ounces fine. ....	80,701	82,027
—dwt. per ton milled .....	3.037	2.994
	Per ton	Per ton
	milled	milled
<b>FINANCIAL INFORMATION</b>		

Revenue from gold .....	£1,010,629	38s. 0d.	£1,026,023	37s. 5d.
Working costs .....	954,463	35s. 11d.	972,950	35s. 6d.
Working profit .....	£56,166	2s. 1d.	£53,073	1s. 11d.

Sundry mining revenue.....	11,600	6d.	8,500	4d.
Total Working Profit for Quarter ..	£67,766	2s. 7d.	£61,573	2s. 3d.

Working costs per ounce fine .....	236s. 7d.	237s. 3d.
Development expenditure per ton milled included in working costs .....	2s. 7d.	2s. 10d.

Capital Expenditure .....	£1,153	£12,886
Estimated Taxation for the nine months ended 31st March, 1960 .....	£6,500	
<b>DEVELOPMENT</b>		

Footage advanced	9,230	12,194
Sampling results obtained :—		
Main Reef	Total	Payable
Footage sampled	1,765	490
	3,670	1,625

Channel width (inches) .....	34.2	31.3	42.6	44.3
Inch-dwt.....	117	201	188	353

Footage sampled .....	1,660	625 (37.7%)	1,620	825 (50.9%)
Channel width—inches .....	10.0	13.0	15.3	24.8

Inch-dwt. ....	127	228	195	312
<b>South Reef</b>				
Footage sampled .....	75	—	90	55
				(61.1%)

Channel width—inches .....	11.1	—	7.6	4.7
Inch-dwt. ....	72	—	290	427
<b>Total—Main Reef Series</b>				
Footage sampled .....	3,500	1,115	5,380	2,505

Channel width—feet	22.3	(31.9%)	33.8	(46.6%)
Channel width—feet	22.3	21.0	33.8	37.0
Inch-dwt.	121	216	192	341
Bed				

Footage sampled .....	570	370 (64.9%)	720	100 (13.9%)
Channel width—inches .....	49.1	50.8	43.3	35.1

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### EASTERN TRANSVAAL CONSOLIDATED MINES, LIMITED.

	Quarter ended 31st March, 1960	Quarter ended 31st Dec., 1959
<b>PRODUCTION</b>		
Tons milled .....	56,600	56,600
Yield—ounces fine .....	18,801	18,645
—dwt. per ton milled .....	6.643	6.588
<b>FINANCIAL INFORMATION</b>		
Revenue from gold .....	£235,949	£233,547
Working costs .....	199,612	196,688
Working profit .....	£36,337	£36,859
Sundry mining revenue .....	7,417	8,819
<b>Total Working Profit for Quarter .....</b>	<b>£43,754</b>	<b>£45,678</b>
<b>Capital Expenditure</b>	<b>£20,399</b>	<b>£35,045</b>
<b>DEVELOPMENT</b>		
Footage advanced .....	9,586	8,205
<b>SHAFT SINKING AND EQUIPMENT</b>		
New Consort Gold Mine:		
Prince Consort Shaft:	feet	feet
Footage sunk .....	119	32
Depth below 33 level .....	274	155

A total of 11,308 cubic feet was excavated in the cutting of the hoist chamber and on 33 level station.

The 450 h.p. winder has been commissioned.

**GENERAL.**  
At the Old Mount Morgan Mine, underground diamond drilling is in progress to test the ore-body below the lowest developed level.

### ZANDPAN GOLD MINING CO. LTD.

	Quarter ended 31st March, 1960	Quarter ended 31st Dec., 1959
<b>FINANCIAL INFORMATION</b>		
Capital Expenditure .....	£312,424	£424,898
Total Capital Expenditure to 31st March, 1960, amounted to £2,655,205.		
<b>SHAFT SINKING AND EQUIPPING</b>		
No. 1 Shaft:	feet	feet
Footage sunk .....	841	1,319
Depth below collar .....	3,052	2,211
Concrete lining accomplished .....	841	1,319
Depth of concrete lining below collar .....	3,022	2,181

A main pump station was excavated at a depth of 2,504 feet below the collar. Sinking was retarded by the intersection of water-bearing fissures requiring cementation and by power cuts imposed by the Electricity Supply Commission during the period 14th/18th March, 1960.

The foundations for the first 5,145 h.p. hoist have been completed and the erection of the winder is in progress.

### ANGLO-TRANSVAAL COLLIERIES, LIMITED

The Sales' Output of the Subsidiary Collieries controlled by this company for the quarter ended 31st March, 1960, totalled 298,257 tons. (Quarter ended 31st December, 1959—278,047 tons.) Both totals are subject to correction for road loading tonnage.

### VILLAGE MAIN REEF GOLD MINING COMPANY (1934) LIMITED.

	Quarter ended 31st March, 1960	Quarter ended 31st Dec., 1959
<b>PRODUCTION</b>		
Tons milled (including 8,230 tons from accumulated slimes) .....	93,000	93,500
Yield—ounces fine .....	14,289	13,674
—dwt. per ton milled .....	3.073	2.925
<b>FINANCIAL INFORMATION</b>		
Revenue from gold .....	£179,173	£171,198
Working costs .....	176,244	172,019
Working profit .....	£2,929	*£821
Sundry mining revenue .....	650	2d.
<b>Total Working Profit for Quarter ..</b>	<b>£3,579</b>	<b>£229</b>

Working costs per ounce fine .....

Development expenditure per ton milled included in working costs .....

Capital Expenditure .....

Estimated Taxation for the nine months ended 31st March, 1960 .....

**DEVELOPMENT**

Footage advanced .....

Reconditioning footage .....

**GENERAL**

Work on modifications to the reduction plant has now been complete.

### CONSOLIDATED MURCHISON (TRANSVAAL) GOLDFIELDS AND DEVELOPMENT COMPANY LIMITED

	Quarter ended 31st March, 1960	Quarter ended 31st Dec., 1959
<b>PRODUCTION</b>		
Tons crushed .....	39,000	42,900
<b>FINANCIAL INFORMATION</b>		
Profit from antimony and gold .....	£138,198	£211,251
Capital Expenditure .....	£1,117	—
Taxation for the three months ended 31st March 1960 .....	£41,750	—
<b>DEVELOPMENT</b>		
Footage accomplished, all of which was developed in connection with the antimony/gold ore bodies .....	2,647	2,507
Footage sampled .....	545	130
Payable footage on account of combined antimony and gold content .....	355	30
Percentage payable .....	65	23

have been added to this category. The effect of this on the mines concerned is discussed on their respective pages.

#### Exploration

In our issue of October 30 last, we summarised the main areas in which exploration was in progress. The intensive drilling which has been going on for the past year or so may well have developed an added urgency in recent weeks as the further expansion of South Africa's mining industry will clearly become a major factor in providing the additional revenue required to finance African advancement, whether within the framework of Bantustans or under some more liberal programme.

This new burst of exploration has been touched off partly by the fact that most of the mines floated in the late forties and early fifties are now at a high, if not yet a maximum level of production. Not only has this resulted—as we have already seen—in the industry being in a high state of liquidity, but it has also had the consequence that the senior ranks of management are less oppressed with the day-to-day teething troubles of these new properties and consequently have more time to consider new ventures.

A further important factor has been that several of the groups earned substantial untaxed profits over the share deals with A.S.A.I.C. and although the groups

concerned apparently have no formal obligation in the matter, there seems at least to have been an understanding that in return for this tax concession, expenditure on exploration would be appreciably stepped up. Indeed, it may be that this second factor has been responsible for quite a lot of drilling being done in what might be described as possible rather than probable areas.

There appears to be no one obvious direction in which exploration should now be concentrated and while most of the current programmes could scarcely be described as wildcatting, it would be wrong to suggest that all the drilling has been done to a pre-determined pattern of geological probability.

Indeed, when it is considered that gold exploration in the Transvaal and the O.F.S. involves locating bands of gold-bearing conglomerates that are seldom more than 4 feet thick at depths ranging from 3,000 to 10,000 feet or more, it is probable that this type of borehole drilling is always going to be highly speculative.

The behaviour of the V.C.R. is today one of the main centres of exploration interest. Not only is there considerable interest in the higher grades and consistency which the reef has been showing at greater depth but of even more interest is the possibility that somewhere to the south of the present West Wits line, the V.C.R. may prove to have been the subject of an upthrust fault which could produce a further series of mines on this same reef to the south of the present line. While there is existing informa-

tion to support this theory, it is, however, as yet in no way conclusive. Goldfields (S.A.) is at present engaged in putting down four drillholes (in a belt from the Farm Doornpoort 347 in the east to the Mooi river in the west) in an effort to establish whether in fact the upthrust exists and if it does whether it is at sufficiently shallow level to be economic. Until this work has been completed some time in 1961, the investor can do no more than regard the area as an interesting possibility and to note that the principal participants in any successful outcome would probably be Goldfields and West Wits.

What had been the other centre of interest in the far west—the Ventersdorp area to the north-east of Carltonville—appears to have produced no more encouraging results for Anglo American or Rand Mines than it did some years ago for Goldfields. The conglomerate is there right enough but not, apparently, the gold. With only about two drills now working in this area, the principal centre of interest has for the moment switched to the Kinross field where there has been considerable activity to the north of the existing mines. Aside from what may be found in this northern part of the field, there seems to be the virtual certainty of one, or more possibly two, more mines in the areas adjacent to the present mines and already optioned in the main by Union Corporation.

In the Klerksdorp area, drilling is going on south of the Vaal river. If a mine is proved, it will be floated under Union Corporation management in accordance



**The winder at President Steyn G.M. which was instrumental in achieving a shaft sinking rate of 1,000 ft. per month for the first time in mining history**

with this group's agreement with Western Holdings. There still appears to be doubt, however, as to whether the ground will produce enough tonnage to make a mine.

The Dealesville area to the south-east of the O.F.S. mines has apparently been written off as a prospect but there is still a lot of drilling going on in other areas peripheral to the present O.F.S. field. There has also been considerable activity in the Amersfort area to the east-south-east of the Kinross field.

#### Shaft Sinking

The industry has continued to record new shaft sinking records, this time with 1,020 feet at President Steyn, in January while the shaft sinking at Coalbrook, however abortive it may have proved as a rescue operation, was remarkable for the speed with which the operation was carried through at short notice and without prior preparation.

The progressive improvements which the industry is achieving in shaft sinking techniques are of prime importance in reducing initial capital costs and with them the period of waiting before production can commence, although as has been demonstrated at President Steyn, dividend prospects may be adversely affected in the short term, as the acceleration of development work results in more capital being required sooner.

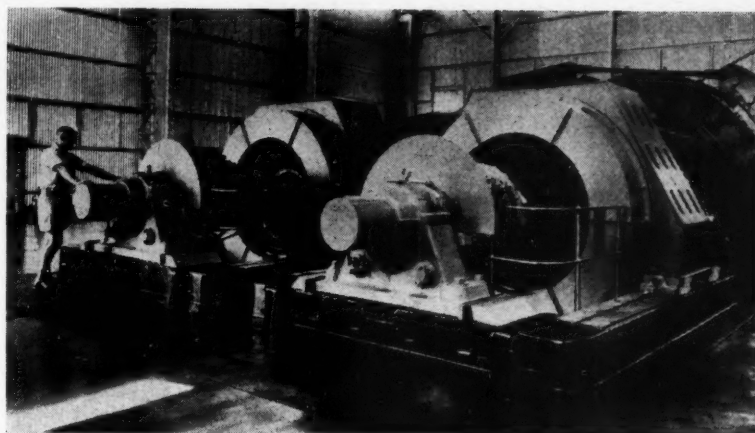
#### HIGHLIGHTS FROM THE QUARTERLIES

Values at St. Helena staged a recovery. From 419 in./dwts. in the December quarter, payable development rose to 729 in./dwts in the March quarter. Payability, however, declined further from 63 per cent to 49 per cent. Saints' No. 7 shaft, designed to ventilate the upthrown block of reef bearing ground on the eastern side of the property, reached a depth of 4,321 feet at the end of the quarter. (p. 14)

According to returns issued by the Transvaal and O.F.S. Chamber of Mines, the African labour force employed in March reached a new record of 388,860. This compares with the previous post-war record of 385,278 reached in May 1959. The normal seasonal build-up reaches its peak in about two months time so that there may be sharp increases in gold production in the months immediately ahead.

In spite of the record labour force employed in March, gold production showed a slight decline in that month. This was a direct result of the shutdown at Coalbrook Colliery, which necessitated power cuts over a period of five days to many of the mines in the O.F.S. and West Rand.

Fullscale shaft sinking began on April 5 at Bracken's No. 1A shaft. Erection of winding machinery and headgear is going on at the No. 1 shaft. (p. 14.)



The permanent headgear and hoist at Leslie's No. 1 shaft are in place and full-scale shaft sinking is expected to start during the second half of this month. Construction of the No. 1 shaft headgear is about to begin. (p. 14.)

At Winkelhaak, a borehole from surface—No. 32—has intersected a reef at a point 6,000 ft. N.E. of No. 3 shaft. The average of three intersections has given 244 in./dwts. (p. 14.)

Gold values at Stilfontein showed a further slight increase to 381 in./dwt. This is the best since the record 602 in./dwts. in December 1958, but it is still a long way below the record set up at that time. (p. 12.)

Sinking of the main shaft at Western Areas, Johnnies' new mine south of Randfontein, began on March 13. By the end of the quarter the shaft had reached a depth of 356 ft. The planned final depth is 4,850 ft. The ventilation shaft, with a planned depth of 3,500 ft., had reached 1,597 ft. by the end of the quarter. Sinking on this shaft began at the end of January. (p. 10.)

Preparatory work began in February on the new shaft system which is to open up the Withok property of South African Land & Exploration. By the end of the quarter the shaft had reached a depth of 507 ft. towards its planned 4,270 ft. When the shaft from surface has been completed, sinking will begin on a sub-vertical hoisting shaft which it is hoped will be commissioned in the middle of 1962. It will then be possible to begin stoping in the relatively rich north-eastern corner of Withok. (p. 16.)

No further development results will be reported from the Main reef horizon at East Geduld mines. This reef, it is stated, can now be considered for all practical purposes to be fully developed. In the March quarter a small footage was driven on the Kimberley Reef but no payable values were disclosed. (p. 14.)

West Driefontein have decided to capitalise part of their share premium account which now stands at £4,660,086. It is recommended that £3,520,540 of this amount should be used in paying up in full at par 7,041,080 shares of 10s. each which will be issued in the ratio of one for one. The proposed capitalisation issue will not affect the total amount available for dividend. An extraordinary meeting will be held on May 3 to consider these proposals. (p. 5.)

There was no further news of progress in Free State Geduld's rich area to the south-west of the No. 1 shaft. Values in the rest of the mine, however, continued their remarkable persistence and have now averaged more than 1,000 inch-dwts. for no less than seventeen quarters. (p. 16.)

Further drilling on Western Holdings' ground to the south of the Vaal River disclosed only low and unpayable values. Two further boreholes, however, are being put down in this region and there is still some hope of it providing the company with a second mine in due course. (p. 17.)

In New York the Morgan Guaranty Trust Company has added Free State Saaiplaas 10s. shares to the list of those against the deposit of which it is prepared to issue American depositary receipts. The A.D.R.'s will be traded on the "over the counter" market.

At Loraine, the new No. 3 shaft situated in the centre of the old Riebeeck property had reached a depth of 5,730 ft. below collar at the end of the quarter. The 52nd level haulage and its companion, which are being advanced to the vicinity of the No. 3 shaft, were pushed forward a further 3,400 ft. At the end of the quarter the distance remaining to hole through to No. 3 shaft, was approximately 2,300 ft. (p. 21.)

In January the Vaal reef was intersected in the No. 2 main vertical shaft of Vaal Reefs Exploration. The reef was completely

(Continued on page 24)

exposed around the perimeter of the shaft and on sampling gave an average value for gold of 819 inch-dwts. and for uranium of 42.41 inch-dwts. At the end of the quarter the shaft had reached a depth of 5,756 ft. and its companion ventilation shaft a depth of 3,833 ft. (p. 18.)

In view of the continuing series of working losses Robinson Deep has decided upon a further reduction in the scale of its operations. Stopping is now confined as far as possible to ore reserve blocks only. (p. 4.)

The long awaited link-up between the Sub Nigel mine and its neighbour Spaarwater has now taken place. The arrangement takes the form of an agreement whereby Sub Nigel will carry out development in part of Spaarwater's property and will draw ore therefrom on a royalty basis. Development work carried out under this arrangement last quarter gave only limited success. Of 325 ft. of reef sampled, only 12 per cent was payable averaging 429 inch-dwts. (p. 4.)

Values on the Ventersdorp Contact Reef at West Driefontein continue to run well above the level originally expected of this horizon. In the March quarter payability was 88 per cent and the average gold content was 739 inch-dwts. Indeed the average of 922 inch-dwts. on the V.C.R. since June 30 last is actually higher than the 769 inch-dwts. obtained during the same nine months from the Carbon Leader which is West Driefontein's primary ore carrier. (p. 5.)

Development values at Blyvooruitzicht showed a strong recovery in the March quarter. Payability rose from 76 per cent to 87 per cent and the average value of payable development rose from 470 inch-dwts. to 640 inch-dwts. (p. 8.)

In February, the directors of Modderfontein East made the following announcement: "Owing to the persistent decline in the available ore reserve, it has been increasingly difficult to maintain mine production at a profit. Owing to the virtual completion of the development programme and to the narrow margins on which the mine has been operating for some time there is little hope under existing conditions of improvement in the position. In these circumstances it has been considered necessary to give the statutory three months notice to the government of the possible discontinuance of mining operations". (p. 9)

With effect from January 1, 1959, Crown Mines has been classified as a "deep level gold mine" in terms of the Income Tax Act. East Rand Proprietary has also so qualified. (pp. 9, 8.)

The South African Atomic Energy Board has instigated a five year programme of research into investigations into the field of utilisation of uranium. The contribution of the industry has been settled at £400,000 per annum and is being apportioned among the various mines in proportion to the pounds of uranium sold by them.

Another of the old Rand mining companies to give a statutory three months' notice of suspension of operations is Robinson Deep. This company has been in continuous operation for sixty years. (p. 4.)

The long waited "magic million"—£1,000,000 profit in one month—was achieved in February by West Driefontein. This is the first time that this figure has been exceeded by any gold mine in the world. (p. 5.)

A milestone was passed by Western Deep Levels in mid-March when the mine's No. 2 main shaft intersected the Ventersdorp Contact reef at a depth of 5,599 ft. Sampling round the perimeter of the shaft showed 80 ft. of reef at an average value of 7.6 dwts. over a width of 41.5 inches. Western Deep Levels has also announced details of its first issue of B shares. (p. 18.)

Western Reefs has decided to sink a new shaft system (No. 4) in the northern portion of the company's lease area to permit the exploitation of the northern and north-western sections of the property. The site of the system is about 12,500 ft. north-west of No. 3 joint shafts. The capital cost of the shaft is estimated at approximately £2,900,000 which it is intended to finance from profits. It is officially hoped that it will prove possible for dividends to be maintained at about their present level during the period of the shaft sinking operations. (p. 18.)

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